

PRESIDENTIAL CAMPAIGN ACTIVITIES OF 1972

SENATE RESOLUTION 60

EXECUTIVE SESSION HEARINGS

BEFORE THE

SELECT COMMITTEE ON

PRESIDENTIAL CAMPAIGN ACTIVITIES

OF THE

UNITED STATES SENATE

NINETY-THIRD CONGRESS

SECOND SESSION

WATERGATE AND RELATED ACTIVITIES

The Hughes-Rebozo Investigation, and Related Matters

WASHINGTON, D.C., APRIL 29, MAY 2, 5, 7, 10, 13, 15, 17,
22, 28, 29, AND JUNE 6, 1974

Book 23



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[Executive session hearings released to the public after the filing
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PRESIDENTIAL CAMPAIGN ACTIVITIES OF 1972

THE HUGHES-REBOZO INVESTIGATION, AND RELATED MATTERS

MONDAY, APRIL 29, 1974

U.S. SENATE,
SELECT COMMITTEE ON
PRESIDENTIAL CAMPAIGN ACTIVITIES,
Washington, D.C.

The Select Committee met, pursuant to notice, at 10:40 a.m., in room G-334, Dirksen Senate Office Building.

Present: Senators Inouye and Montoya.

Also present: Terry F. Lenzner, assistant chief counsel; Marc Lackritz, assistant majority counsel; Scott Armstrong, investigator; Mary DeOreo and Emily Sheketoff, research assistants.

Mr. ARMSTRONG. This is a continuation of the executive session begun on Thursday, March 28, 1974, at which time Mr. Griffin was sworn in and began his testimony. Would you like to make a statement?

Mr. AMBROSE. I would like to make a statement. Are you ready at this time, Mr. Armstrong?

Mr. ARMSTRONG. Yes.

Mr. AMBROSE. Senator, Mr. Griffin has appeared and testified voluntarily on two prior occasions; once in a so-called informal fashion in New York City, before, I think, Mr. Armstrong and other members of the legal staff of the committee; then, again, here in March, under oath, at some length. We have a total testimony of over 9 hours at this point.

Subsequent to our testimony in March, there had been a series of newspaper articles which have been attributed to sources close to the investigation, which have resulted in, to say the least, a great deal of embarrassment, if not an invasion of my client's personal and constitutional rights, with reference to his testimony which was in executive session here; with reference to the testimony of other people in connection with this investigation, all of which, I think, are quite serious and deserve and merit the attention of the Senate itself in the handling of this investigation.

I want to state, for the record, that we are preserving whatever rights we may have in conjunction with this. It would appear to me, at first blush, and I do not know who is responsible for the leaks, obviously it could very well be unethical violations, it could very well be illegal violations, which I think are things that should be considered.

We have been called to produce a number of documents. Mr. Griffin is a lawyer. He has appeared here, basically, in his capacity as an attorney for people who are obviously either the subject of the investigation or under some kind of inquiry by the staff.

He has produced those documents. Most of the documents that have been called forth had been subpoenaed previously. He has produced some additional documents and information. He has sought and received a waiver of his legal responsibilities from some of his clients, under the circumstances, with reference to specific areas of testimony.

I would like the record to be completely clear and it is my understanding that this is agreeable to the staff and to the Senate, that a partial waiver of his lawyer-client privilege does not constitute a complete waiver as to all transactions that may have no relevance to this committee's area of jurisdiction and I want to make sure that that position is quite clear.

I have so advised him, after research, Senator, that I think that is a very valid legal position. We have been called on to produce a number of documents I think would be helpful. We have also been informed of some subject areas of inquiry by letter and I think it would be helpful in the interests of speeding up this proceeding if we could go over those now so that we could state whatever the opposition is, relative to each one of these items.

Senator INOUE. Fine, sir. First of all, I would like to say I concur in your concern over the so-called leaks. We have made an attempt to try to locate the source of these leaks. To say the least, it is not easy to locate them. We hear inferences, but some, at times, come from the witness himself, others from the witness' counsel, sometimes from the staff.

If I personally knew of any person responsible for leaking information, whether it be important or unimportant, I can assure you I would make every effort to see that he be fired without any reluctance on my part.

As to the concept of a partial waiver, I think it is a valid one and I do not think that the staff has any opposition to that.

Mr. LENZNER. No objection.

Senator INOUE. I see none on my part. With that, you may please proceed, sir.

Mr. AMBROSE. The other point Mr. Griffin calls to my attention, too, is quite appropriate. I have requested a vote of the Senate for being given a copy of the last hearing, which we have not yet received.

Mr. Griffin, in the meantime, has examined the transcript here on file in the Senate. There are a number of corrections that we would like to make. Most of them are relatively small, but, nevertheless, they are corrections we would like to make.

I do not want to be in a position where any time limits are imposed upon us that we may have waived something like that. I would like to make sure that we have ample time to do that after I get a copy of the transcript, presumably, which I will do.

Senator INOUE. I will advise the staff to so notify the chairman.

Mr. LENZNER. There is a session tomorrow where the question of the transcript will be voted on. I am sure they will get one after that.

Mr. AMBROSE. I can start off, I think, Senator, by submitting a couple of documents which were called for at the last meeting. There were two aircraft registrations which were sought. I am submitting herewith a listing of the two registrations: Grumman Goose registered N-150M and a Grumman Mallard registration No. N-2954, which are planes that are owned by the Precision Valve Corp.

Mr. LENZNER. Do you want that marked as an exhibit?

Mr. AMBROSE. Yes.

Mr. LENZNER. We will have that marked as exhibit 7.

[Whereupon, the document referred to was marked Griffin exhibit No. 7.¹]

Mr. AMBROSE. In addition to that, you sought a number of checks which I have received information from by letter of April 24. One is a check for \$7,284.38 from Mr. Griffin—Mr. Griffin's personal account to this, it is dated September 13, 1973, payable to the Precision Valve Corp. I have a Xeroxed copy of the front and back of Mr. Griffin's personal check that I would like to have marked.

Mr. LENZNER. That will be exhibit 8.

[Whereupon, the document referred to was marked Griffin exhibit No. 8.²]

Mr. AMBROSE. I also have a check dated September 17, 1973, payable to the order of Richard M. Nixon, for \$15,000. Mr. Griffin's personal check. It is my understanding that you were unable to have the back of this clear when you subpoenaed the records of the bank, is that correct?

Ms. DEOREO. There was no back.

Mr. AMBROSE. I am submitting it with a Xerox of the back of the check. And, together on the same sheet, is a check dated December 17, 1973, to the Precision Valve Corp. for \$2,916.69, Mr. Griffin's personal check, the front and back which are here Xeroxed.

Attached to this is a third item, the check payable to the Westchester Republican County Committee in the amount of \$800, dated September 24, 1973. There is a Xerox of the front and back of this also. There are three items.

Mr. LENZNER. Do you have any—

Senator INOUE. Why do you not make that 9-A, 9-B and 9-C?

[Whereupon, the documents referred to were marked Griffin exhibits Nos. 9-A, 9-B and 9-C.³]

Mr. AMBROSE. In addition to that, by letter of April 24 to Mr. Armstrong, we were given a list of other items which you requested us to submit to you, which are items from the Hudson Valley National Bank and would appear to be the—the first sheet of which would appear to be a sheet submitted by the bank as a result of your subpoena to them, of items which were missing from their records.

Mr. Griffin has, in a short period of time, attempted to locate the originals of them that he has possession or copies of. At the luncheon recess I would be glad to go over those with you and give you those copies, if necessary.

¹ See p. 10795. Griffin exhibits Nos. 1 through 6 were entered in hearing of Mar. 23, 1974.

² See p. 10795.

³ See p. 10796-98.

**TESTIMONY OF WILLIAM GRIFFIN, ACCOMPANIED BY MILES
AMBROSE, COUNSEL**

Mr. GRIFFIN. There were about 200 items.

Senator INOUE. You are not submitting that at all?

Mr. AMBROSE. Yes. In addition to which, during the course of testimony on March 28, Mr. Griffin was asked to furnish a copy of a National Airlines ticket issued on May 1 for flight No. 55 which left LaGuardia Airport at 9:55 on May 3 for Miami. I am submitting a copy of that ticket, for the record.

Senator INOUE. That would be exhibit 10.

[Whereupon, the document referred to was marked Griffin exhibit No. 10.¹]

Mr. AMBROSE. In addition to that, we are furnishing you with a copy of an article that appeared in the New York Times on December 12, 1973, to which Mr. Griffin referred to in his testimony on March 28.

[Whereupon, the document referred to was marked Griffin exhibit No. 11.²]

Mr. AMBROSE. I am also submitting three sheets which are Xeroxed copies of various documents which relate to a transfer of funds from the Precision Valve Corp. to Mr. Charles G. Rebozo, from the Hudson Valley National Bank, in November of 1972, which I would like marked.

[Whereupon, the documents referred to were marked Griffin exhibit No. 12.³]

Mr. GRIFFIN. These documents indicate a transfer by check to Mr. Charles Rebozo on the 27th of November 1972 and the retransfer of the same amount of funds on the 30th of November 1972 by Mr. Rebozo to Precision Valve Corp.

Mr. AMBROSE. I think that completes—except for those items that I suggested that we go over at lunch time, the items called for, with the exception of documents called for in a letter of April 15, 1974, wherein Mr. Lackritz, assistant counsel of the committee, outlined to me the scope of inquiry that the committee wishes to discuss with Mr. Griffin.

Item 2, there, calls for the production of all of the records that he has in his possession, custody, or control as secretary of the B. & C. Investment Co. I submit that while obviously Mr. Griffin has a great number of records in connection with this, that it would be inappropriate to produce before this committee those records that have no bearing under the committee's jurisdiction—those, of course, which have occurred considerably subsequent to the period of time that the committee's inquiry is directed, including as late as last week, and so forth and so on.

This, obviously, relates to the purchase, the entire purchase of property in San Clemente, Calif., the President's—the investment of Mr. Griffin's client, Mr. Abplanalp, certain transactions with regard to certain trust obligations, and so forth and so on, some participation by Mr. Rebozo and various details. There is nothing here that is secret except that there is a considerable amount of material that is part of the lawyer-client privilege between Mr. Griffin and Mr. Abplanalp.

¹ See p. 10799.

² See p. 10800.

³ See p. 10801.

The committee's broad gaged request is a little too pervasive, it seems to me, under the circumstances, particularly in view of the fact—for whatever the reasons—the personal lives and details and so forth of all the people involved has been spread across the New York Times so many times that it is a little discouraging.

Under those circumstances, we would be quite glad to produce any records which are relevant to this inquiry. Mr. Griffin would be quite willing to testify as to whether, in fact, there were cash transactions involving Mr. Rebozo, Mr. Abplanalp, and so forth, which could bear in any way to the subject of inquiry before this committee.

On the other hand, the dragnet attempt to get all of the records of this corporation, I think, are inappropriate, and we would like some guidance of the Senator with a view toward reference to this.

Senator INOUE. May I get some guidance from you? How did you determine what is relevant to the investigation?

Mr. AMBROSE. As I understand this particular inquiry, what we have gone through in the course of the inquiry, has been Mr. Griffin's basic representation of Mr. Rebozo and the transaction involving \$100,000—moneys from Hughes Tool Co., from Mr. Howard Hughes, in connection with campaign contributions.

From what I read in the newspapers and the line of inquiry on March 28, I gather that the committee staff feels that there were some other transactions made wherein funds were used to either reimburse this money, which was kept in a safe-deposit box, or something like that.

We are quite willing to testify to any of these things, but to the trust agreements between Mr. Abplanalp and his children, as to the actual original purchase setting up the corporation, all of that has been gone over at great length by the Senate in a joint committee. They have issued a rather unbelievably large report and analysis which I am sure you are aware of, concerning the President's tax liability. There has been a tremendously thorough-going analysis of the transaction, by both the Senate committee and the Internal Revenue Service.

I see no purpose in Mr. Griffin being in a position where he is, on the one hand, the secretary of the corporation and on the other hand, the attorney for the principals, getting into a position of being kind of "Lucky Pierre" in deciding which is in the purview of legal privilege and which is not.

As I say, we are perfectly willing to produce any records of any areas that we can discuss and think are relevant to the inquiry but not a broad gaged shotgun request for all the records.

Senator INOUE. What are your thoughts, Mr. Lenzner?

Mr. AMBROSE. I would like to have the letter of April 15 produced into evidence, if I might. I am sure you have a copy of it.

Mr. ARMSTRONG. Senator, I think it is important to note that Mr. Lackritz' letter of April 15, 1974, merely requests Mr. Griffin to bring with him the records for the investment company which will allow him to refer to matters which might come up during the course of examination.

If they then appear relevant to the record, or pertinent to the committee's concerns, we would then like to request their production. We have not yet requested the production of any documents.

Senator INOUE. You have not requested the production, per se, of any document?

Mr. ARMSTRONG. That is correct, other than in a meeting in New York on January 8, 1974, Mr. Griffin was kind enough to produce a series of related documents which I believe are part of the same files. Other than that, we have made no specific requests.

Mr. LENZNER. I take it the purpose of this letter was to have the records here, and then as we went to the questions, to focus down on Mr. Griffin's possible pertinent testimony. If that testimony reflected documents pertinent to the inquiry, that we then ask that those documents be produced.

Senator INOUE. At the appropriate time of the inquiry, counsel can object to production on the grounds of irrelevancy.

Mr. AMBROSE. Thank you, Senator. I appreciate it.

Mr. Griffin calls to my attention that if the record is not clear on this point, both Mr. Abplanalp and Mr. Rebozo, who are clients of Mr. Griffin in connection with this transaction, have waived legal privilege with reference to the actual transaction of the B. & C. Investment Corp., the purchasers of San Clemente, and so forth, and have permitted him to testify about this. He has already testified, to some extent, about this. He is quite prepared to testify further.

The other areas, of course, the more recent ones, they involve another question.

Mr. GRIFFIN. In addition to that, Mr. Abplanalp has also waived his privilege concerning his transfer through the corporation of \$225,000 to Mr. Rebozo, and the return. That has been waived by Mr. Abplanalp personally and the corporation as to that transaction as well.

Any other areas that may, or may not, be relevant, I would necessarily need to know what they would be so I could contact them concerning the waiver of the privilege in those areas.

Mr. ARMSTRONG. Mr. Griffin, when did you first learn of the President's interest or intention to purchase property in San Clemente, Calif.—in that area of the country?

Mr. GRIFFIN. Some time—I don't know whether it was May, June, April, in that area, of 1969.

Mr. ARMSTRONG. Prior to the actual purchase of the property?

Mr. GRIFFIN. I do not know what the date of the actual purchase was.

Mr. ARMSTRONG. I believe it was July 15, 1969.

Mr. GRIFFIN. Prior to that date, yes.

Mr. ARMSTRONG. Were you aware of the efforts of Mr. Raine, to locate property suitable for the President?

Mr. GRIFFIN. No; I was not. You mean at that time?

Mr. ARMSTRONG. Yes, sir.

Mr. GRIFFIN. No, I was not.

Mr. ARMSTRONG. Can you tell us what discussions you had with anyone prior to July 15, 1969, relating to the prospective purchase of the property for the President or on the President's behalf?

Mr. GRIFFIN. The basic discussions that I had, I believe, were with Mr. Herbert Kalmbach. I am not sure whether I had any discussions with Mr. Frank DeMarco, through Mr. Kalmbach. Mr. Kalmbach

asked me to contact my client, I believe, concerning the possibility of loaning the funds to the President so he could accomplish the purchase.

Mr. ARMSTRONG. Do you recall when that was?

Mr. GRIFFIN. In the area—I do not know exactly when.

Mr. ARMSTRONG. Can you tell us when you first learned of the President's intention to purchase an additional 2.9 acres of property known as the Elmore property?

Mr. GRIFFIN. I do not know the exact date, Mr. Armstrong. I really do not know.

Mr. ARMSTRONG. Can you recall if it was as early as the purchase of the Cotton estate, the original property?

Mr. GRIFFIN. I do not know. There was some discussions concerning it, to round off the property, I do not know exactly when they were. I do not know when the Elmore property was purchased. Give me a date as to when it was purchased.

Mr. ARMSTRONG. Let me proceed. What discussions, if any, have occurred regarding the methods which might be used to protect Mr. Abplanalp's loan to the President?

Mr. GRIFFIN. There were many discussions concerning the protection of Mr. Abplanalp's loan, but I do not believe, during that time—you are talking about collateral for the loan?

Mr. ARMSTRONG. Any collateral or security?

Mr. GRIFFIN. I think that was discussed subsequent to the loan. We requested a promissory note to be signed by both the President and his wife on the transfer of the funds, which we did receive. You are talking about the original \$175,000?

Mr. ARMSTRONG. The original loan was \$450,000 on July 1, 1969.

Mr. GRIFFIN. Yes.

Mr. ARMSTRONG. Was the transfer of the property itself ever discussed?

Mr. GRIFFIN. At that time?

Mr. ARMSTRONG. At that time.

Mr. GRIFFIN. No, it was not.

Mr. ARMSTRONG. Can you tell us when that was first discussed?

Mr. GRIFFIN. About the latter part—I believe it was the latter part of 1970—September, October, somewhere in that area. I prepared a memorandum at that point, which I gave to you people. I think that was sometime in October. We were, at that point, discussing the transfer of the properties to a partnership.

Mr. ARMSTRONG. Is this the document dated October 22, 1970, cover sheet, "California Property"?

Mr. GRIFFIN. Yes.

Mr. LENZNER. We will mark this exhibit No. 13.

[Whereupon, the document referred to was marked Griffin exhibit No. 13.*]

Mr. LENZNER. Mr. Griffin, would you like to look at this?

Mr. ARMSTRONG. Mr. Griffin, can you tell us from whom you first learned of the President's interest in selling a portion of his interest in the Cotton property and the entire Elmore property?

Mr. GRIFFIN. I think it was a combination of people that we were discussing it with. One was Mr. Rebozo, one was Mr. Kalmbach, and

*See p. 10804.

one was Mr. DeMarco. Mr. Kalmbach and Mr. DeMarco representing, as I understood it, the President, at that time.

Mr. ARMSTRONG. You were representing?

Mr. GRIFFIN. At that time, I was representing Mr. Abplanalp. I subsequently represented Mr. Rebozo as well in the transaction.

Mr. ARMSTRONG. When did your representation of Mr. Rebozo begin?

Mr. GRIFFIN. It began, basically, when we started discussing the acquisition of the piece by a partnership to be formed by Mr. Abplanalp and Mr. Rebozo.

Mr. ARMSTRONG. Can you tell us when the discussions, or when you first learned of the President's interest in selling the property?

Mr. GRIFFIN. Exact dates—I thought it was in August, September, or October 1970; that is when we started discussing how to do it. That is when I prepared a memorandum.

Mr. ARMSTRONG. It is my understanding that sometime in April of 1969, Mr. Kalmbach and/or Mr. DeMarco requested that a survey be done, anticipating a carve-up of the property, and a sale to a compatible buyer. Were you aware as early as April 1969 of the President's interest in selling the property?

Mr. GRIFFIN. No, I was not.

Mr. ARMSTRONG. Your first discussions were contemporaneous with the document?

Mr. GRIFFIN. My first discussions concerning the property were early 1969, when there was a request of my client to loan the President some money.

Mr. ARMSTRONG. Concerning the sale of the President's interest in the portion of the Cotton estate?

Mr. GRIFFIN. It is difficult for me to recall the exact dates. It was sometime subsequent to the second loan of money which I believe was in July of 1970.

Mr. ARMSTRONG. Do you recall whether there was any discussion of the sale by the President of his entire interest in the Cotton and Elmore properties to Mr. Abplanalp, or any group of which Mr. Abplanalp was a part?

Mr. GRIFFIN. Discussions?

Mr. ARMSTRONG. Between yourself and anyone else.

Mr. GRIFFIN. There might have been. I may even have raised the subject myself with Mr. Kalmbach, as a method of doing this. I raised a number of ways that we might do it and I prepared a memorandum finding on that, of the thoughts of lawyers.

Mr. ARMSTRONG. Did you have any correspondence relating to that possibility? That is, of the purchase by Mr. Abplanalp or a group of which Mr. Abplanalp was represented, of the entire interest?

Mr. GRIFFIN. The only discussions that I had were concerning the question of Mr. Rebozo and Mr. Abplanalp acquiring it, or whether the three of them should possibly go into some form of a joint venture partnership.

Mr. ARMSTRONG. Are you aware of any discussions of a joint venture or partnership involving the President, Mr. Abplanalp, and Mr. Rebozo which occurred prior to July 1969?

Mr. GRIFFIN. I do not say that the discussion took place in July. I say the discussion took place before that. April, May, June—

Mr. ARMSTRONG. I am talking about 1969, prior to the purchase of the Cotton estate. Was there any discussion that you are aware of, regardless of whether or not you participated in it, of the President, Mr. Abplanalp, and Mr. Rebozo forming a partnership, or approaching the property as a joint venture?

Mr. GRIFFIN. Not in April or May of 1969.

Mr. ARMSTRONG. Not before the purchase of the property?

Mr. GRIFFIN. No.

Mr. ARMSTRONG. Do you have any documents which would assist us—any correspondence on the subject?

Mr. AMBROSE. Assist you in what subject?

Mr. ARMSTRONG. Regarding the joint venture or the partnership involving the President, Mr. Abplanalp, and Mr. Rebozo, or the purchase of the property or the entire interest of the property, from the President by Mr. Abplanalp and Mr. Rebozo and resale to the President.

Mr. AMBROSE. That's a pretty broad area. Obviously, Mr. Griffin has some documents relating to the original purchase and Mr. Abplanalp's and Mr. Rebozo's participation. Is there some specific thing that you want? I don't quite understand the question.

Mr. ARMSTRONG. The question is: Does Mr. Griffin have any correspondence or documentation which reflects any discussions or interests of Mr. Abplanalp, or any group of which Mr. Abplanalp was a part, in purchasing the President's entire interest in the Cotton estate and reselling a portion to the President?

Mr. GRIFFIN. I have a problem. It is a technical problem. I received some correspondence from Mr. DeMarco. They were copies of letters to another party involved. I do not know whether I can release those documents to you or not.

Mr. AMBROSE. Obviously, if they are letters from Mr. Kalmbach concerning his legal relationship with the President, I think the appropriate party for you to get that document from would be Mr. Kalmbach, who I gather has been a witness before this committee and quite a willing witness. I think it puts Mr. Griffin kind of in the middle as to whether he should release third-party documents relating to legal privilege when you have an opportunity of getting the original from the witness before this committee, who may or may not have waived his legal privilege. I am not aware of it.

Mr. ARMSTRONG. First of all, do the documents assist us in placing a point in time at which such discussions occurred?

Mr. AMBROSE. It assists Mr. Griffin in testifying.

Mr. ARMSTRONG. Can Mr. Griffin testify orally to the substance?

Senator INOUE. That should be sufficient for this purpose.

Mr. GRIFFIN. These documents are in March of 1970. That was the first contact I had concerning the methods by which we might have used concerning the division of the property. And those are documents which I have to refresh my recollection. There are one or two documents in March of 1970, and I have received additional documents in September of 1970 which assisted me in my recollection of when we discussed the question of the division of the property.

Mr. LENZNER. When you say these letters are from Mr. Kalmbach to another party and you were sent copies, I take it courtesy copies.

Mr. GRIFFIN. My guess is that when I discussed this with Mr. Kalm-

bach, he sent to me the necessary documents for my review, because they included the secured notes, the trust agreements that were established. They included a title report. Of course, the other notes I have are the notes directly from the President and Mrs. Nixon to Mr. Abplanalp and a letter covering that, which was the original note of \$450,000, plus the descriptions of the property.

Mr. LENZNER. I am just thinking through, Senator, whether it is not a waiver of the lawyer, since documents to another individual who he is not representing, if that does not consist of a waiver of any privilege that might attach itself to the substance of those documents?

Mr. AMBROSE. I do not think it would be considered a waiver under any circumstances when the lawyer who he sends it to is a lawyer of one of the parties in the transaction. Therefore, we have no lawyer-client privilege.

Mr. LENZNER. Who were you representing at the time, Mr. Griffin?

Mr. GRIFFIN. At that point, I was representing both Mr. Abplanalp and Mr. Rebozo.

Mr. LENZNER. By March of 1971 you were in the lawyer-client relationship with Mr. Rebozo?

Mr. ARMSTRONG. Could we proceed before we consider this issue? Senator INOUE. Let us proceed and consider them after lunch.

Mr. ARMSTRONG. Prior to March 1970, then, was there any discussion of the joint venture with Mr. Abplanalp, or any group that Mr. Abplanalp was involved with, in purchasing the entire Elmore estate and selling back a portion of it to the President, that you are aware of?

Mr. GRIFFIN. Yes. We discussed many ways of doing it, I'm talking about Mr. Kalmbach and myself, and I discussed that with my client as well. There were discussions as to whether the three of them should go into a partnership. There was discussion whether the two of them should buy it all and lease it back. There were several discussions. It was lawyer-to-lawyer discussion. It was not lawyer-client discussion.

After a great deal of conversation and a great deal of thought, I prepared this memorandum, which is dated October 22, which you had, with the general items to be considered after due consideration of several other areas which was a substantial memorandum that went into the method to do it, potential tax consequences, thoughts I had, and steps that should be taken to do it. This memorandum of the 22d which was a culmination of my thoughts as a lawyer and discussions with Mr. Kalmbach as a lawyer.

Mr. ARMSTRONG. Could you tell us what your best recollection is as to how early these discussions occurred?

Mr. GRIFFIN. From my correspondence, I would say the original discussions started some time in March.

Mr. ARMSTRONG. Are you now not aware of any prior discussions by any other individuals on any other subject?

Mr. GRIFFIN. I do not believe so.

Mr. ARMSTRONG. On January 8, 1974, you provided us with two pages of type, which you represent to be the total amount of funds given to the B. & C. Investment Co. by Charles G. Rebozo. The first page is for the period January 1, 1971, through December 31, 1972; the second for the period January 1, 1973, through August 15, 1973.

Can you tell us if this comprises, to the best of your knowledge, all

of the funds provided by Mr. Rebozo to the B. & C. Investment Co.?

Mr. GRIFFIN. Through what period?

Mr. ARMSTRONG. For all periods of time. Were there any funds submitted by Mr. Rebozo prior to January 1, 1971, or subsequent to August 15, 1973?

Mr. LENZNER. Let's have those marked.

[Whereupon, the documents referred to were marked as Griffin exhibits Nos. 14 and 15.*]

Mr. GRIFFIN. I do not believe there were. I would have to go back and check the checks. I think that is the total amount. Those are copies of notes that I gave to the Internal Revenue Service, I think, and copies of notes that I gave to Cooper and Lybrand.

Mr. ARMSTRONG. The first payment this reflects is a payment on January 1, 1971?

Mr. GRIFFIN. That is when it was received and cleared through the bank account.

Mr. ARMSTRONG. Do you know the source of those funds, the \$25,000?

Mr. GRIFFIN. The initial \$25,000?

Mr. ARMSTRONG. Yes, sir.

Mr. GRIFFIN. I believe it was placed in the account by Mr. Rebozo.

Mr. ARMSTRONG. Do you know if that was done as a result of a transfer?

Mr. GRIFFIN. A debit memo or a credit memo to the account. I have it on the financial statement as B. & C. Investment Co. on January 5, 1971.

Mr. ARMSTRONG. Do you know what account was debited in order to credit that account?

Mr. GRIFFIN. No. I will see if I can find that; I may have the memo.

Mr. ARMSTRONG. The account that was credited was the account of the B. & C. Investment Co.?

Mr. GRIFFIN. The account that was credited for \$25,000 was the B. & C. Investment account located in Key Biscayne Bank—1-0731-4.

Mr. ARMSTRONG. While you are perusing those Government documents, can I ask you whether Mr. Rebozo has ever given you funds for the B. & C. Investment Co. in cash?

Mr. GRIFFIN. No; he has not. Do you mean cash money?

Mr. ARMSTRONG. Currency.

Mr. GRIFFIN. I do not have—at least the debits appear, but I think I can get it for you.

Mr. ARMSTRONG. I would appreciate having a copy of that. Are you aware of the source of any of the funds that Mr. Rebozo transferred to the account?

Mr. GRIFFIN. I beg your pardon?

Mr. ARMSTRONG. Are you aware of the source of any of the funds that Mr. Rebozo transferred to that account?

Mr. GRIFFIN. I assume that it came out of his accounts—some other account, and transferred.

Mr. ARMSTRONG. Do you have any specific knowledge of which accounts?

Mr. GRIFFIN. I received a general memorandum from the bank transferring accounts.

*See pp. 10819-20.

Mr. ARMSTRONG. Was there ever a transfer from a savings account as opposed to a checking account?

Mr. GRIFFIN. None that I know of, but if it is important to you, I can get all those transfer slips for you.

Mr. ARMSTRONG. We would appreciate that. Incidentally, sir, can you tell me who maintains the books of the B. & C. Investment Co.?

Mr. GRIFFIN. I do.

Mr. ARMSTRONG. You also have custody of all the financial records in that capacity?

Mr. GRIFFIN. Yes.

Mr. ARMSTRONG. Would it be possible for us to peruse the financial records of that corporation up through the payment to Mr. Rebozo which purchased back his partnership interest?

Mr. AMBROSE. What is the date on that?

Mr. ARMSTRONG. I believe he has said it was August 15, 1973. The payment may have been somewhat later.

Mr. GRIFFIN. I can provide it to you. You are talking about the ledger cards? Is that what you're talking about?

Mr. ARMSTRONG. It would also include checks, deposit slips, bank statements.

Mr. GRIFFIN. Sure.

Mr. ARMSTRONG. Thank you. When and from whom did you first become aware of Mr. Rebozo's interest in selling his partnership interest?

Mr. GRIFFIN. A combination. As I explained to you before, Mr. Abplanalp and Mr. Rebozo are very close friends. I do not know exactly when they were talking about buying out Mr. Rebozo's interest. Mr. Abplanalp had mentioned the fact that he wanted to provide some trust for his children, had in the past—it was sometime, I believe, in either late 1972 or early 1973, in that area. There were some discussions, and Mr. Abplanalp had suggested to me that I discuss with Mr. Rebozo the acquisition of his interest, and they had some discussions between themselves concerning it. That took place—the actual transfer took place—in August; I believe it was August of 1973.

Mr. ARMSTRONG. Did you then, in late 1972 or 1973, discuss with Mr. Rebozo his potential interest in transferring his portion of the partnership?

Mr. GRIFFIN. I do not know the exact date when it was, but I did start preparing agreements in the summer of 1973 concerning the transfer of that interest.

Mr. ARMSTRONG. Can you tell us the first instance of correspondence on that subject?

Mr. GRIFFIN. No. I am sure it was probably telephonic. As I told you before, I talked to Mr. Rebozo a great deal. I talked to Mr. Abplanalp a great deal. Since we were on the phone a great deal, we did a great deal of work by phone. I do not know the exact dates of when it was.

Mr. ARMSTRONG. The occasion of your first conversation with Mr. Rebozo regarding his possible interest in selling his portion of the partnership, that discussion was initiated by you?

Mr. GRIFFIN. I do not know it was initiated by me. I do not know whether Abplanalp called and said, "I discussed it with Bebe," or Bebe called and said, "I discussed it with Bob." This is what we are thinking about. To pin it down to exact dates is very difficult.

Mr. ARMSTRONG. Do you recall when it was first broached what Mr. Rebozo's interest was, whether he was enthusiastic?

Mr. GRIFFIN. Bob was interested in acquiring the property through some trust for his children. I do not know whether it was mutual interest between the two of them or not. I know Bob had some conversations himself with Rebozo about buying his interest in it.

Mr. ARMSTRONG. Do you recall what Mr. Rebozo said to you in terms of his interest in selling his portion of the partnership?

Mr. GRIFFIN. No, not, exactly. I do not know when we talked. Sometimes we talked in a three-way conversation. If I were sitting in Mr. Abplanalp's office and he was talking to Mr. Rebozo, I would get on the extension and we would go over certain things. It's culmination was in August of 1973.

Mr. ARMSTRONG. Had Mr. Rebozo ever previously rejected the idea of selling his portion of the partnership?

Mr. GRIFFIN. I do not think it was a question of an acceptance or rejection. It was a question of two friends getting together. Mr. Abplanalp at a certain point was asking, in effect, Mr. Rebozo to do this because he thought it was a good opportunity for his children.

Mr. ARMSTRONG. Do you recall if you became aware at that time or at any other time of any other reasons why Mr. Rebozo was interested in selling his partnership interest?

Mr. GRIFFIN. No.

Mr. LENZNER. Did you represent both purchaser and seller on that transaction?

Mr. GRIFFIN. No.

Mr. LENZNER. Who represented Mr. Rebozo in that?

Mr. GRIFFIN. Mr. Wakefield.

Mr. ARMSTRONG. On the occasion when this committee interviewed Mr. Abplanalp and you represented him—I believe sometime last fall—do you recall relating to us at that time that it was your understanding that Mr. Rebozo was short of funds and this was the reason?

Mr. GRIFFIN. I said to you one of the possibilities I think might have been that Bebe maybe needed some money. I know he was interested in the property at Key Biscayne. We were talking about another matter, buying another piece of property, which is another area where I was representing him.

Mr. ARMSTRONG. Do you recall when Mr. Rebozo first expressed interest in this other piece of property?

Mr. GRIFFIN. We are getting into areas that I am representing a client in other transactions again.

Mr. ARMSTRONG. I thought you were representing Mr. Rebozo?

Mr. GRIFFIN. I am representing Mr. Rebozo and the B. & C. Investment Co. I am representing Mr. Rebozo in handling the \$100,000. I did represent Mr. Abplanalp in other discussions with Mr. Rebozo.

Mr. AMBROSE. Other investments.

Mr. GRIFFIN. Connected with other investments, unrelated to both of these.

Mr. ARMSTRONG. Are you referring to the Matheson property?

Mr. GRIFFIN. That's one of them.

Mr. ARMSTRONG. At this time, all I am trying to do is place in time when you first became aware that Mr. Rebozo had some other interest or use of his money than the B. & C. Investment Co.

Mr. GRIFFIN. As I said, my best recollection is sometime during the summer, or even the spring of 1973, and it was a general conversation between Mr. Abplanalp and Mr. Rebozo that culminated in my preparing the documents to buy out Mr. Rebozo in early August.

Mr. ARMSTRONG. I believe on August 15, 1973, Mr. Rebozo did assign to Mr. Abplanalp his 50-percent interest, including his liabilities, in the B. & C. Investment Co. for a total of \$295,000?

Mr. GRIFFIN. I believe so.

Mr. ARMSTRONG. At that time, he executed, I believe—Mr. Abplanalp executed three promissory notes, one for \$45,000, one for \$50,000, and one for \$200,000 to Mr. Rebozo?

Mr. GRIFFIN. There was one promissory note with three payments in it.

Mr. ARMSTRONG. Can you tell us when those payments were made? Let me ask you—I have two checks here from the Precision Valve Corp. to Robert H. Abplanalp, trustee for children's trust, both of which are signed over for direct wire transfer to Mr. Charles G. Rebozo. I would also like to have those marked as exhibits.

Senator INOUE. Those will be 16 and 17.

[Whereupon, the documents referred to were marked Griffin exhibits Nos. 16 and 17, for identification.*]

Mr. GRIFFIN. I could check them for you. I believe they are. I just do not know. I can check them for you and verify it.

These two checks total \$295,000, which was the agreed-to amount of the promissory note, dated August 15. I would want to verify the checks, if I may, and I could let you know on that.

Senator INOUE. At this, may we recess the hearing?

Mr. ARMSTRONG. Thank you, Senator.

[Whereupon, at 11:35 a.m., the hearing in the above-entitled matter was recessed to reconvene at 1 p.m. the same day.]

AFTERNOON SESSION

Mr. LENZNER. Mr. Griffin, I think we talked the last time on the question of whether Mr. Rebozo ever asked you to obtain any cash for him. Did there come a time when Mr. Rebozo did seek to obtain any large amounts of cash from you?

Mr. GRIFFIN. Cash?

Mr. LENZNER. Cash in the form of any particular denomination?

Mr. GRIFFIN. At no time.

Mr. LENZNER. Did Mr. Rebozo indicate to you that he was in need of a considerable amount of cash?

Mr. GRIFFIN. He never did.

Mr. LENZNER. When you testified earlier this morning with regard to the funds that Mr. Rebozo made available to the B. & C. Investment Co., do you know whether Mr. Rebozo ever furnished any money for the benefit of the San Clemente property that did not go through the B. & C. Investment Co.?

Mr. GRIFFIN. None that I know of.

Mr. LENZNER. What you are saying, I take it, you are not aware of any expense items that he may have furnished for the San Clemente property, apart from the amount that you've already discussed?

*See pp. 10821-22.

Mr. GRIFFIN. Aside from the amounts—

Mr. LENZNER. That you gave us in exhibits 14 or 15 or 15 and 16.

Mr. GRIFFIN. Except for the money given through the B. & C. Investment Co. that he shared all the expenses of.

Mr. LENZNER. One other question. When the first loan was made to President Nixon, you said that there was no collateral put up, or security. Is that accurate?

Mr. GRIFFIN. There was a note signed by the President and his wife.

Mr. LENZNER. Was there any examination or determination of whether the President had assets, or liquid assets that might be available for his payment of the note as it became due?

Mr. GRIFFIN. By me?

Mr. LENZNER. By you, or anybody else that you are aware of.

Mr. GRIFFIN. Not that I know of.

Mr. ARMSTRONG. This morning, we spoke of the fact of an occasion when Mr. Abplanalp appeared before the committee last fall—whether or not he had indicated that Mr. Rebozo could not afford his B. & C. obligations. You indicated that it was your understanding that he had other investments that he preferred to make with that money.

Mr. GRIFFIN. It was just a general conversation. We never got into that that specifically.

Mr. ARMSTRONG. Do you remember telling us these are from transcripts—not a formal record, but transcript notes—where a secretary was present:

Mr. GRIFFIN. My general understanding was that the cost involved in maintaining this was quite substantial. He could not afford it.

This does come from a transcript of an interview with Mr. Abplanalp. Later:

There was a request to meet certain obligations he had incurred which were substantial. Do you have a copy of the Cotton mortgage, which has a balloon payment in 1974? Principal payment was \$100,000 a year, and the interest was \$60,000 a year and that's a lot of dough to get up each time it comes around.

Do you recall, now, your testimony at that time?

Mr. GRIFFIN. Yes. It was not exactly like that. One of the areas was, as I was saying to you, the B. & C. Investment Co. structure was—by Mr. Rebozo being a 50-percent partner, assumed basically the entire obligation under the Cotton and Elmore mortgages. That was his contribution to the partnership; as such, whenever a payment came due either under the Cotton mortgage or the Elmore mortgage, I would have to request of Mr. Rebozo, pursuant to the terms of his agreement with the B. & C. Investment Co. funds. In each case, it was a substantial amount of funds. In some cases, I think, it was \$86,000, \$90,000 or something like that. It is a struggle for anyone to get that kind of money.

Mr. ARMSTRONG. Do you recall when Mr. Rebozo first indicated that he was having difficulty raising that amount of money?

Mr. GRIFFIN. It was not a question of him having any difficulty. He did mention the fact that every time I would call him to say the next payment was due, he would say, how much? Oh, boy, here we go again type of thing. There came a time when Mr. Abplanalp in effect wanted to buy him out.

Mr. ARMSTRONG. The price of \$290,000 which was arrived at—can you tell us how that price was calculated?

Mr. GRIFFIN. Very simply. We took the total amount of money Mr. Rebozo contributed to B. & C. Investment Co. and gave him 10 percent on that. That is how we arrived at it.

Mr. ARMSTRONG. Mr. Rebozo contributed approximately \$263,000. Is that right?

Mr. GRIFFIN. I gave you those figures. We took the list of the total amount Mr. Rebozo contributed to the B. & C. Investment Co., added basically 10 percent to it. That is how we arrived at the purchase price.

Mr. ARMSTRONG. The figures you gave us this morning indicate contributions on Mr. Rebozo's behalf totaling \$263,152.81. I believe you said you checked to make sure these were the only payments made.

Mr. GRIFFIN. Let me see those again.

Mr. ARMSTRONG. These are exhibit 14 and exhibit 15.

Mr. GRIFFIN. That is probably close. I told you that I checked those figures.

Mr. ARMSTRONG. You have not had an opportunity to go over them since we last talked?

Mr. GRIFFIN. No.

Mr. ARMSTRONG. Given the interest rates and the amount of interest that was due on the money which Mr. Rebozo paid into the B. & C. Investment Co., would it be correct to say that of the \$263,000 contributed, at least \$100,000 was interest?

Mr. GRIFFIN. I do not know what the interest figure was. I can get that for you, if you wish it. We took the total contribution in dollars and cents by Mr. Rebozo, basically added 10 percent, rounded it off, and that was the figure that we paid, with 50 percent interest.

Mr. ARMSTRONG. Was there any calculation based on the amount of principal that Mr. Rebozo would pay?

Mr. GRIFFIN. No.

Mr. ARMSTRONG. Was the ratio of Mr. Rebozo's principal to interest payments made under the installments that he made similar to the ratio between principal and interest in the calculations that you prepared on October 22, 1970; the original plans of the B. & C. Investment Co.?

Mr. GRIFFIN. No. As I have testified before—and I think you have a copy of the note that Mr. Rebozo in effect signed for the B. & C. Investment Co., was a note of his contribution, which he equated to be 50 percent, which was in the neighborhood of \$600,000; the repayment of that note to the B. & C. Investment Co. was in the same proportion that the B. & C. Investment Co. had to make its payments, principal and interest, on the Cotton and Elmore mortgages.

Mr. ARMSTRONG. To your knowledge, were some portion of the payments that Mr. Rebozo made applied to interest?

Mr. GRIFFIN. I am sure they were. He had to pay to the B. & C. Investment Co. interest on his note assigned to him, basically, in the same proportion that we were paying principal and interest on our portion of the Cotton and Elmore properties. I think you have a copy of that.

Mr. ARMSTRONG. I do not believe we have a copy of the note itself.

Mr. GRIFFIN. I gave you a copy of both the B. & C. Investment Co. agreement and the notes attached to it.

Mr. ARMSTRONG. We have the partnership agreement.

Mr. GRIFFIN. That looks like a copy of the note of the Elmore or the Cotton.

Mr. LENZNER. Why do you not look at this?

Mr. GRIFFIN. This is a copy of a promissory note given by Mr. Rebozo to the B. & C. Investment Co. in the amount of \$600,000, with interest on the unpaid principal, at the rate of 7 percent per annum. Interest is to be paid with principal payments. In addition, the payment of principal interest by installments, commencing on July 15, 1971, which corresponds to the Cotton mortgage payment, thereafter at place and time and the amount required to be paid by the note. Each of the certain promissory notes, dated July 10, which is the Cotton mortgage, and September 11, as you know, which is the Elmore mortgage, are attached.

Mr. LENZNER. Why do we not have that document marked that Mr. Griffin was just reading from?

[Whereupon, the document referred to was marked Griffin exhibit No. 18, for identification.*]

Mr. ARMSTRONG. Prior to the note, I believe was executed on August 15, 1973 by Mr. Abplanalp, in consideration of Mr. Rebozo's assignment of his portion of the partnership agreement, other than that, was there any promissory note that was executed, any promissory note that was prepared for execution, between Mr. Abplanalp and Mr. Rebozo?

Mr. GRIFFIN. Concerning the B. & C. Investment Co.?

Mr. ARMSTRONG. Yes.

Mr. GRIFFIN. Let me correct something. It was not Mr. Abplanalp who purchased Mr. Rebozo's interest; it is a trust which was created. Mr. Abplanalp is the trustee of it.

Mr. ARMSTRONG. Is the note a personal note between Mr. Abplanalp and Mr. Rebozo?

Mr. GRIFFIN. The note was signed by Mr. Abplanalp as trustee.

Mr. ARMSTRONG. Could we have a copy of that?

Mr. GRIFFIN. I can provide it to you.

Mr. ARMSTRONG. The beneficiaries—

Mr. GRIFFIN. The beneficiaries of the trust are Mr. Abplanalp's two children.

Mr. ARMSTRONG. Was there any promissory note prepared prior to the one signed on August 15, 1973?

Mr. GRIFFIN. Involving the B. & C. Investment Co.?

Mr. ARMSTRONG. Yes, sir.

Mr. GRIFFIN. No, not that I know of. Between Abplanalp and Rebozo?

Mr. ARMSTRONG. Right. None on July 12, 1973?

Mr. GRIFFIN. What was July 12?

Mr. ARMSTRONG. We've just had information that there was a promissory note of July 12.

Mr. GRIFFIN. Involving the B. & C. Investment Co.?

Mr. ARMSTRONG. A promissory note between Mr. Abplanalp and Mr. Rebozo, which we understood to be—although it may not be—we understood it to be the B. & C. Investment Co.

*See p. 10823.

Mr. GRIFFIN. I know of no note which involved the B. & C. Investment Co., other than the one I told you.

Mr. ARMSTRONG. I believe you testified previously, either on January 8, 1974, when you saw us, or on the occasion when Mr. Abplanalp appeared before us, that there was from the beginning of the B. & C. Investment Co. concern at the balloon payment which was to be made, I believe it was July 1975.

Mr. GRIFFIN. That is correct.

Mr. ARMSTRONG. It was then anticipated that there would be a need for refinancing.

Mr. GRIFFIN. I testified to the fact that I had urged right from the beginning that we start negotiations about the refinancing, because in July of 1974, a rather large payment was due under the Cotton mortgage. It would be best for all parties and it would be good business to renegotiate that over a longer term and reduce the cash requirements to be made on both the mortgages. I am still stressing that.

Mr. ARMSTRONG. Has there been any refinancing sought from any specific lending institution?

Mr. AMBROSE. What point in time?

Mr. ARMSTRONG. I am talking about—actually, if you would like, I will rephrase my question as such. Prior to August 15, 1973, was any lending institution approached?

Mr. GRIFFIN. I had asked both Mr. Kalmbach and Mr. DeMarco to contact as many institutions as they possibly could to determine if we could get refinancing and under what terms and conditions. I have written several letters to that effect, authorizing them to do so on our clients' behalf.

Mr. ARMSTRONG. To your knowledge, have they contacted any lending institutions?

Mr. GRIFFIN. Yes; they have.

Mr. ARMSTRONG. Can you tell us on what dates?

Mr. GRIFFIN. No. I just do not know.

Mr. ARMSTRONG. Have you been advised by letter?

Mr. GRIFFIN. By telephone. I have been stressing the question of refinancing for over 2 years, because I think it is about \$600,000 that comes due in July of 1974, under a balloon payment in the Cotton mortgage. We have to get the money from some place.

Mr. ARMSTRONG. You have notes that reflect the dates, the approximate dates, and the institutions contacted?

Mr. GRIFFIN. No, I did not do the contacting myself. Mr. Kalmbach and Mr. DeMarco were authorized by me, as far as my clients were concerned, to contact whom they thought they could concerning a large mortgage, the larger the better.

Mr. ARMSTRONG. Could you remember the context approximately?

Mr. GRIFFIN. I have been doing this for quite some period of time. It was obvious to me when we first entered into the agreement that there was going to be a requirement for a substantial amount of cash. The sooner we could arrange for additional financing, the better off. I have been doing that for 2 years.

Mr. ARMSTRONG. Were there any contacts in 1971?

Mr. GRIFFIN. There might have been.

Mr. ARMSTRONG. You have no correspondence or records that would reflect that?

Mr. GRIFFIN. Not originally. I have correspondence that recently—you know, I have been in touch with them concerning the refinancing.

Mr. ARMSTRONG. Do those make reference to efforts at refinance prior to August 15, 1973?

Mr. GRIFFIN. No. But there were efforts made prior to that time, explicitly at my request.

Mr. ARMSTRONG. Whose responsibility is the effort to refinance the property?

Mr. GRIFFIN. We considered it a joint responsibility to do it, all parties concerned. The total property is owned by the President as well as the B. & C. Investment Co. The entire property, the Cotton piece and the Elmore piece, are both under mortgage. It is held by a title company.

In order to refinance the property, we needed the entire piece of property. I have asked them as far as my clients were concerned to refinance, and I thought they should do it for their own clients' sake.

Mr. ARMSTRONG. Other than Mr. Kalmbach or Mr. DeMarco, or members of their firm, are you aware of any other individuals who sought refinancing?

Mr. GRIFFIN. No. I do not know if Mr. Abplanalp talked to anybody concerning that.

Mr. ARMSTRONG. Did Mr. Rebozo have any responsibilities?

Mr. GRIFFIN. I talked to him as well as far as the refinancing—as he was a partner in the B. & C. Investment, his share of the balloon was as large, if not larger than, anybody else's. I asked him to look around as well.

Mr. ARMSTRONG. Do you recall the first time you would have spoken to him about the refinancing?

Mr. GRIFFIN. I have been over this before. When the deal was first created, the need for refinancing was evident. We are talking December of 1970.

When you have a balloon coming up in 1974, a very substantial amount of money, it was obvious to me that we should refinance, the sooner the better, not only for that reason, but the Cotton mortgage required a payment of principal each year of \$100,000. Its interest rate was 7.5 percent. When you're talking about \$175,000, if we could finance a larger mortgage with a substantial balloon at the end, the requirement of coming up with big money in 1971, 1972, and 1973 would be substantially reduced. From the very beginning, I have been advocating a refinancing of the property.

Mr. ARMSTRONG. Do you recall if you had any discussion with Mr. Rebozo regarding the refinancing of the property prior to the purchase of the property by the B. & C. Investment Co.

Mr. GRIFFIN. I do not really recall whether I did or did not. I did advise him, as one of his attorneys, that refinancing was a necessity here.

Mr. ARMSTRONG. Did you offer advice on refinancing the property prior to the interest that the B. & C. Investment Co. held in the property?

Mr. GRIFFIN. I may have, but I do not believe so. You are talking 1970 now?

Mr. ARMSTRONG. Yes, sir.

Mr. GRIFFIN. I may have.

Mr. ARMSTRONG. Can you provide us, Mr. Griffin, with records that will reflect your representation of Mr. Rebozo in the matter of the B. & C. Investment Co.?

Mr. AMBROSE. What does that mean?

Mr. ARMSTRONG. Time records.

Mr. LENZNER. The question is, do you have any documents that reflect when you first started representing Mr. Rebozo? Did you keep time sheets reflecting the hours of time you spent on his behalf?

Mr. GRIFFIN. No, I did not. Our office did not keep time sheets until, I think, the early part of this year.

Mr. LENZNER. Was he billed for any billable hours?

Mr. GRIFFIN. He was not.

Mr. LENZNER. Was the file opened on him as a client in your office?

Mr. GRIFFIN. The file was opened up as the B. & C. Investment Co., Mr. Rebozo and Mr. Abplanalp.

Mr. LENZNER. When was it opened up?

Mr. GRIFFIN. 1970.

Mr. ARMSTRONG. Was anybody billed for the hours that you spent representing either Mr. Abplanalp or Mr. Rebozo or both?

Mr. GRIFFIN. No, not yet. You are talking about B. & C. now?

Mr. LENZNER. Yes, sir. Do you have a date when the file was opened up with Mr. Rebozo's name on it?

Mr. GRIFFIN. The first correspondence in this file—it looks like March of 1970. There was a previous file. That was a loan file.

Mr. LENZNER. For Mr. Abplanalp?

Mr. GRIFFIN. Yes, sir.

Mr. ARMSTRONG. Mr. Griffin, I have two checks which I would like you to identify and tell me, if you could, the purpose of these checks. They are written on the account of the Precision Valve Corp., both payable to the B. & C. Investment Co. One is dated July 12, 1973, in the amount of \$95,000; the other is dated October 18, 1973, for the amount of \$20,000. I am sorry, but the checks we received from the bank are mirror images, and they are a little difficult to read.

Mr. GRIFFIN. Yes. I think both of these were loans to B. & C. Investment Co., short-term loans for the payment of, I guess, taxes. The first check is dated October 18. That is the date, I believe, that the semiannual tax payments are due on the California property. The other is July 12, 1973. I believe that is the other date. I am not sure. I believe they were gap loans. If it is important, I will check it out for you and let you know.

Mr. ARMSTRONG. I would appreciate documentation, any background information that we could get. Could we have this marked as exhibits?

Senator MONTAÑA. Yes, sir.

Mr. LENZNER. The October 18 one is for \$20,000.

Mr. ARMSTRONG. These will be marked as our next exhibit.

[Whereupon, the documents referred to were marked Griffin exhibit No. 19.*]

Mr. AMBROSE. This is for a period of time—this is way beyond anything beyond the transfer of the property. Is there any relevance to this?

*See p. 10845.

Mr. ARMSTRONG. I think the relevance will be clear from the question that follows. Prior to July 12, 1973, how had payments of taxes been handled?

Mr. GRIFFIN. I prepared a check out of the B. & C. Investment Co. and sent it to Mr. DeMarco and Mr. Kalmbach, and they would take part of the President's money for taxes and send the money in.

Mr. ARMSTRONG. What were the sources of funds that were in the B. & C. Investment Co. account?

Mr. GRIFFIN. Contributions from Mr. Abplanalp and Mr. Rebozo.

Mr. ARMSTRONG. Had Mr. Abplanalp made contributions on a regular basis prior to July 1973?

Mr. GRIFFIN. Yes.

Mr. ARMSTRONG. Both Mr. Abplanalp and Mr. Rebozo were contributing?

Mr. GRIFFIN. Basically, the contribution for the payment of the mortgages was Mr. Rebozo's responsibility. When it came time for the payment of the taxes, there was a joint responsibility. I would send a note around to both of them and say, "The taxes are due. It is *x* number of dollars this year, so much is yours, so much—please send checks to my office."

I prepared one check and sent it out to Mr. Kalmbach and Mr. DeMarco, to the firm's escrow account. As I understand it, he would prepare a check for the entire tax and send so much out.

Mr. ARMSTRONG. Had there been any loans previously from the Precision Valve Corp.?

Mr. GRIFFIN. To the B. & C. Investment Co.?

Mr. ARMSTRONG. Yes, sir.

Mr. GRIFFIN. I do not know; there might have been. I could check it for you if it is important.

In what periods are you talking about?

Mr. ARMSTRONG. I am speaking prior to July 12, 1973.

Mr. GRIFFIN. July 12?

Mr. ARMSTRONG. Right, the date of this one check for \$95,000—prior to that time. Was there any particular reason why it was necessary to borrow money from Precision Valve Corp. on those two occasions?

Mr. GRIFFIN. Sometimes Mr. Abplanalp is away; sometimes Mr. Rebozo was not available. Sometimes they did not get the money to me in time. I was writing checks out; Mr. Kalmbach was paying the taxes, and I wanted to get a check out to him.

Mr. ARMSTRONG. Do you recall in July 1973, whether Mr. Rebozo was away at that time?

Mr. GRIFFIN. I do not recall.

Mr. ARMSTRONG. Have you dealt with Miss Moncourt in Mr. Rebozo's bank?

Mr. GRIFFIN. On occasion, yes.

Mr. ARMSTRONG. To your knowledge, does Miss Moncourt have power of signature over Mr. Rebozo's account?

Mr. GRIFFIN. I do not know.

Mr. ARMSTRONG. Had you ever dealt previously with Miss Moncourt concerning the transfer of Mr. Rebozo's account to the B. & C. account?

Mr. GRIFFIN. I may have. I think she is his personal aide. I have

talked to her on many, many occasions, not necessarily for the B. & C. Investment Co. That is Nicole?

Mr. ARMSTRONG. Yes.

Mr. LENZNER. As I get it—one question—DeMarco would go ahead and pay the taxes, then would you reimburse him, or how was that done?

Mr. GRIFFIN. He would call me or send me a note and say, "Taxes are due on such and such a date, so please send me a check."

Mr. LENZNER. That would be your pro rata share, that is the B. & C. pro rata share?

Mr. GRIFFIN. Our share of what the taxes were. I would try to get the money together. If it was not in the B. & C. account—it usually was not—I would send a note around to Mr. Abplanalp and send a note down to Mr. Rebozo, call them both on the phone, and say, "We have a payment of *x* number of dollars. Your share is such and such."

I believe on one or two occasions, because the date the payment was due, they advanced funds. I wanted to make sure we got our checks to them on time, if possible.

Mr. LENZNER. Did there ever come a time, to your knowledge, when Mr. Rebozo would pay the taxes or other expenses by mere transfers in the Key Biscayne Bank and Trust?

Mr. GRIFFIN. He would not pay any bills for the B. & C. Investment Co. I would pay them all. In fact, I do not think he was a signatory on the B. & C. Investment Co. account. He would transfer funds sometimes to the B. & C. Investment Co. which would be his share of either the mortgage payment or the interest or his share of the taxes, then I would pay all the bills. I paid all the bills for the B. & C. Investment Co.

Mr. ARMSTRONG. I believe that you previously testified to us that on October 10, 1973, you met Mr. Gemmill, I believe it was in New York. I am not sure of where, the location, but it was for a meeting with the representatives of the Internal Revenue Service, at which time they were conducting an audit of the books of the B. & C. Investment Co. for 1971 and 1972. Can you tell us in conjunction with what issues this audit was conducted?

Mr. GRIFFIN. I have no idea. Mr. Gemmill called me and said they were doing an audit. I think at the same time Cooper & Lybrand were doing their audit. I was involved with providing information concerning the B. & C. Investment Co. for that business.

Gemmill advised me that IRS would like to see the books. He arranged for a meeting in New York, whatever date it was; I don't really recall. I went down with the books and the tax returns and met Mr. Gemmill and two representatives of the Internal Revenue Service.

Mr. ARMSTRONG. Do you recall the representatives?

Mr. GRIFFIN. No; I do not.

Mr. ARMSTRONG. Do you recall whether they were interested in examining the books for 1970, albeit, how partial the books would be, or any portion of the books from 1973?

Mr. GRIFFIN. I gave him the books and records and the checking account and tax returns of the B. & C. Investment Co. up to the date that we were there, and we had no conversation other than looking at them and taking notes.

Mr. ARMSTRONG. Can you tell us, at that meeting, who you were representing?

Mr. GRIFFIN. I was representing the B. & C. Investment Co., composed at that time of two partners.

What date was it? Do you know?

Mr. AMBROSE. October 10.

Mr. ARMSTRONG. October 10, 1973. could you tell us who Mr. Gemmill was representing?

Mr. GRIFFIN. I did not ask, but I assume he was representing the President.

Mr. ARMSTRONG. He was present at the time that the books were examined?

Mr. GRIFFIN. Yes.

Mr. ARMSTRONG. Was Mr. Gemmill representing the B. & C. Investment Co. or any of its partners?

Mr. GRIFFIN. No, he was not.

Mr. ARMSTRONG. Can you tell us, subsequent to that meeting, if you had any communications with any individuals regarding the substance of the meeting? Did you talk to anybody about the meeting after it was over?

Mr. GRIFFIN. I talked to Mr. Abplanalp and I talked to Mr. Rebozo and I talked to, I think, Mr. DeMarco, and I talked to Gemmill.

Mr. ARMSTRONG. Can you tell us the substance of your communication with Mr. Rebozo?

Mr. GRIFFIN. Just the fact that I attended a meeting whereby the Internal Revenue Service was auditing the books of the B. & C. Investment Co.

Mr. ARMSTRONG. Did you communicate to Mr. Rebozo any conclusions that you drew regarding what the Internal Revenue Service's interest was in the B. & C. Investment Co.?

Mr. GRIFFIN. I have no idea. There was no conversation except for basically a hello.

Mr. ARMSTRONG. At any time prior to August 15, 1973, had Mr. Rebozo ever indicated a need for a quantity of funds in excess of \$10,000?

Mr. GRIFFIN. Yes, but we are getting involved into other areas.

Mr. AMBROSE. In relationship to this particular transaction or any of these transactions?

Mr. ARMSTRONG. I'm not sure what the relationship would be. Let me put it this way: Has Mr. Rebozo ever approached you or discussed with you securing a loan?

Mr. GRIFFIN. With the Hudson Valley National Bank?

Mr. ARMSTRONG. Or any other banking institution.

Mr. GRIFFIN. As we talked this morning, there are two areas where I obtained from both Mr. Rebozo and Mr. Abplanalp a waiver of lawyer-client privilege. One of those areas was the B. & C. Investment Co. The other area was the \$225,000 loan that was made by Precision Valve Corp. and subsequently made by the Hudson Valley National Bank.

Mr. ARMSTRONG. Did Mr. Rebozo seek any other loans?

Mr. AMBROSE. Again, Mr. Armstrong, we are back to the point that we raised this morning. If you have a specific area of inquiry that

involves—a relevant inquiry that involves transactions between Mr. Griffin and his client, the lawyer-client relationship with Mr. Rebozo on these—if you will delineate them to us, we will seek the possibility of getting a waiver of the lawyer-client privilege, but we are not waiving lawyer-client privilege other than in these two specific areas.

Mr. ARMSTRONG. The question still stands in rather specific form. If the answer is yes—

Mr. AMBROSE. There is no answer. The answer is that he has no authority to waive his lawyer-client relationship in any area other than those that we delineated. If you have something else that you want him to waive it on, we will have to go back to Mr. Rebozo. You ought to be specific about it.

Mr. LENZNER. It is hard to know if there are other areas that we want to inquire into. For example, if Mr. Rebozo sought money, Senator, for a loan from Mr. Griffin during the period of time that is relevant to the return of the \$100,000 to the Hughes Tool Co., it may indeed be pertinent. But if Mr. Griffin cannot answer the question, generally—did Mr. Rebozo ever seek loans besides the \$225,000 loan that we are aware of, we obviously will be foreclosed from pursuing that.

Let me ask this question as a foundation question, however. When Mr. Rebozo discussed the loan of \$225,000, were you representing him for the purpose of obtaining that loan?

Mr. GRIFFIN. I was acting—the \$225,000?

Mr. LENZNER. Yes, sir.

Mr. GRIFFIN. As far as the \$225,000 was concerned, both Mr. Rebozo and Mr. Abplanalp have waived—

Mr. LENZNER. That was not my question. My question was, did he come to you as his counsel and ask you to obtain a loan from the Hudson Valley National Bank?

[Discussion off the record.]

Mr. GRIFFIN. As far as this was concerned, I am not sure whether he asked me or Bob Abplanalp. At the same time we were in the conference, he was going to another bank for a loan. We are in the banking business, and we discussed the question of, obviously, our bank making a loan to him. Our bank was a new bank and needed loans. I was acting in that capacity in discussing the \$225,000 with him and Mr. Abplanalp, and at the same time helping to get the loan at our bank.

Mr. LENZNER. What is your position at the bank?

Mr. GRIFFIN. Secretary.

Mr. LENZNER. Did there ever come a time—were there other times when Mr. Rebozo and you discussed other loans on his behalf?

Mr. AMBROSE. Again, we are back to the point. There are, and I do not think we have made any bones about it, there are and have been other business and legal transactions between Mr. Griffin and Mr. Rebozo, for which he has no authority to waive lawyer-client privilege. Obviously, he cannot, under those circumstances, answer certain questions.

Senator MONTROYA. Let me ask this, since I was not here this morning. What particular waiver was obtained from Mr. Rebozo with respect to one transaction?

Mr. GRIFFIN. The waiver from Mr. Rebozo and Mr. Abplanalp both, since I represent both, was anything surrounding the B. & C. Invest-

ment Co., and anything surrounding the \$225,000 loan which was made.

Senator MONTTOYA. When you spoke to Mr. Rebozo, you are speaking on behalf of the bank and not as an attorney, not through the attorney-client relationship. How could you do that?

Mr. GRIFFIN. I was—being the secretary of the board of the bank.

Senator MONTTOYA. And representing him at the same time?

Mr. GRIFFIN. We were out trying to hustle business for the bank, and we needed loans. Sometimes you get your clients to do those things.

Senator MONTTOYA. However, the attorney-client relationship—

Mr. GRIFFIN. I'm not claiming attorney-client relationship as far as the \$225,000.

Mr. AMBROSE. There are other transactions that he's now inquiring about which are direct attorney-client relationship for which Mr. Rebozo has not given any waiver simply because we do not even know. This is the first time we have heard about any of these things. On specific areas that you want a waiver on, some specific transactions. Mr. Griffin will confer with Mr. Rebozo. If he deems it advisable to waive it, he will waive it.

Mr. LENZNER. What I'm suggesting, Senator, is, if there are discussions between this witness and Mr. Rebozo with regard to this witness assisting Mr. Rebozo as Secretary of the Hudson Valley Bank and acquiring loans for Mr. Rebozo, it is a business transaction. It does not relate, indirectly or directly, to any attorney-client privilege, and that the witness ought to answer the question.

If it is a business transaction, and Mr. Griffin is requested by Mr. Rebozo to obtain loans, that is not a transaction that is attorney-client transaction. That is a business transaction. Mr. Griffin has stated he has had business transactions and business discussions with Mr. Rebozo. That is what we're talking about. We're not asking about advice or counsel he may have provided as an attorney to Mr. Rebozo, albeit. Mr. Griffin also concedes that they never billed Mr. Rebozo for any advice or counsel, they never opened up a file on his behalf.

Mr. AMBROSE. That is not an accurate statement, Mr. Lenzner. The question of billing, of course, has never been a legal precondition.

Mr. LENZNER. It is an indicia of a lawyer-client relationship.

Mr. AMBROSE. It is not a legal definition. Mr. Griffin has testified that he has opened a file, so your statement of fact is inaccurate.

Mr. LENZNER. He opened a file on the B. & C. Investment Co., of which Mr. Rebozo is a partner.

Mr. AMBROSE. And Mr. Abplanalp. That is what he stated. That is what the record shows.

Mr. LENZNER. The question now before us, Mr. Griffin, did Mr. Rebozo ever approach you to obtain other loans? I suggest it is a business transaction, Senator, and the witness be directed to answer the question.

Senator MONTTOYA. From whom? From the bank?

Mr. LENZNER. Any bank.

Senator MONTTOYA. Of which he was an officer?

Mr. LENZNER. First from any bank of which he was an officer.

Mr. GRIFFIN. As far as the Hudson Valley National Bank was concerned, of which I am the secretary, only the one transaction that I

gave you that they both waived, concerning that you have all those documents.

Mr. LENZNER. Did Mr. Rebozo ever request you to do anything on his behalf to facilitate or obtain a loan, other than the \$225,000 loan?

Mr. AMBROSE. That is the area which Mr. Griffin has no right to waive his legal privilege.

Mr. GRIFFIN. I have a number of files to represent Mr. Rebozo. Those files involve other matters. If you can pinpoint for me what you are talking about, I will be glad to contact these people. It is not my right to waive attorney-client privilege except in the areas that I receive an expressed waiver on.

Mr. LENZNER. I am not asking you about other areas. I'm asking you about specific loans that you sought to obtain on Mr. Rebozo's behalf.

Mr. AMBROSE. In his relationship or his capacity as attorney for Mr. Rebozo?

Mr. LENZNER. You are assuming a fact that I do not believe is a fact.

Mr. AMBROSE. He is making a representation.

Mr. LENZNER. Let me finish, if I can. If he were asking, Senator, as a business consultant in facilitating a loan—it strikes me that you cannot provide attorney-client privilege to protect every business transaction that you are involved in, because it is a business transaction, just because at one time or another you are alleged to represent someone as an attorney.

Senator MONTOYA. Let me ask the witness: What was your attorney-client relationship with Mr. Rebozo? In what functions did you perform in that relationship?

Mr. AMBROSE. Senator, I am sorry if I seem difficult on this point.

Senator MONTOYA. Just give me a general description of it, not going into specifics. That is what I mean, so I can probably rule on this.

Mr. GRIFFIN. I was and have been the attorney for Mr. Rebozo and his interests in the B. & C. Investment Co., his interest in acquiring certain properties, in his interest in transactions involved with B. & C. in the original partnership. Mr. Rebozo is connected with Mr. Abplanalp in several business transactions. I represent them both in those areas—both of them.

Senator MONTOYA. Does that entail your going out and getting loans for Mr. Rebozo from other institutions?

Mr. GRIFFIN. It entails—the answer to that is “yes.”

Senator MONTOYA. This is a very close area here.

Mr. LENZNER. Did you conduct activities on behalf of Mr. Rebozo that did not include advice or counsel with regard to these loans?

Mr. GRIFFIN. I was acting as his attorney and in some cases Mr. Abplanalp's attorney jointly in seeking—in some cases potential financing—in seeking additional loans on other transactions for which I was representing him.

Senator MONTOYA. Mr. Lenzner, if he was seeking other loans for Mr. Rebozo and representing him as attorney, whether they were strictly legal questions or not, he was acting as his attorney, and I think the relationship applies.

Mr. LENZNER. Senator, if a lawyer is asked to give tax advice, for example, on a loan, on whether a client should involve himself in a particular loan, that might well indeed be protected. And indeed, if he had conversations with the potential lender of the money to determine the eventual tax consequences so he could well advise his client, that well might also be protected. But, if he has a business venture on behalf of a client and sought out third parties, he was really acting as an agent for business purposes for his client, rather than as attorney. He was not acting for the purposes of providing advice and counsel to his client. He was acting as a business agent to facilitate a business transaction to obtain a loan. When you step out of that role of providing advice or counsel and contact third parties for the business, you gain the benefit of another person, then it seems to me the attorney-client privilege does not exist.

Senator MONTAÑA. I'd like to ask some citations on that.

Mr. LENZNER. We do have some citations, Senator. Maybe we should get those.

Senator MONTAÑA. I want to rule right on this.

Mr. ARMSTRONG. Off the record.

[Discussion off the record.]

Mr. ARMSTRONG. Back on the record.

Mr. LENZNER. Let me ask this, so the record is clear to protect you, Mr. Griffin. Have you had discussions as to whether these areas might come up and you have been advised by your clients that they did not wish to exercise the waiver?

Mr. AMBROSE. That is within the lawyer-client privilege. The statement by Mr. Griffin has been that his expressed waiver of the lawyer-client privilege was with the relationship to the areas we discussed earlier. The other areas that he is preserving the lawyer-client privilege are still preserved within the lawyer-client privilege.

Mr. LENZNER. All I'm getting for the record is—you have not explored the possibility of waiver in these other areas?

Mr. AMBROSE. I do not think we ought to get whether he has explored it or not.

Mr. LENZNER. Just say no. We will go ahead.

Mr. AMBROSE. It is not a question of saying "no" at this point. The question is before you. The statement is before you that these are specific areas according to the letter that you gave me that he has gotten it. Whether he has gotten it in other areas or he has discussed it, that is also within the lawyer-client privilege.

Mr. GRIFFIN. I also specified when we began this hearing this morning that if there are other areas, I'd be glad to take those areas back and request. I cannot waive that privilege.

Mr. AMBROSE. We also discussed, and Senator Inouye agreed this morning, that for the purposes of the purposes here that there are limits, and so stated on the record.

Mr. LENZNER. We will get the citations. It is our position that this could not be made in these areas.

Mr. AMBROSE. I don't know how you make the statement, if you do not know what the areas are. How can you make a conclusionary statement?

Senator MONTÓYA. I have to base my decision at the present time on a fact that if an attorney is representing a client and the attorney is negotiating a loan for that client, of necessity he is giving the client some legal advice with respect to that transaction.

Where is the line of demarcation between what is legal advice and what is business advice? Can you separate the two?

Mr. LENZNER. Our position is you can, Senator. As soon as you begin to act as a business agent seeking loans.

Senator MONTÓYA. And then there's no lawyer-client relationship on anything else.

Mr. LENZNER. When you're acting as a business agent, that is correct.

Mr. AMBROSE. I would suggest, also, Senator, as you well know, that there is a body of law that says that the umbrella of the lawyer-client relationship covers transactions which may be incidental, which may be somewhat business in nature but incidental to the relationship, and are covered.

Senator MONTÓYA. If there is any doubt as to whether the attorney-client relationship exists, the doubt should be resolved in favor of the relationship.

Mr. LENZNER. Well—

Senator MONTÓYA. That's the point I'm making. I would rather resort to a complete evaluation of this on the basis of authorities that you might cite.

Mr. LENZNER. We will give the citations.

Senator MONTÓYA. Why don't you ask him particular questions?

Mr. LENZNER. We will, Senator.

Senator MONTÓYA. I think that is the way to do it. Do you want to read that now?

Mr. LENZNER. I will find the citation. I do not want to hold you up, Senator.

Mr. ARMSTRONG. Mr. Griffin, you mentioned that the circumstances surrounding the \$225,000 loan or loans from Precision Valve and/or the Hudson Valley Bank to Mr. Rebozo—any privilege that might exist has been waived. I think it would be simpler and most expeditious if you just described the circumstances surrounding the loan, how the events occurred. Then I will ask specific questions.

Mr. GRIFFIN. Mr. Rebozo discussed with myself and Mr. Abplanalp the question of borrowing \$225,000. It was in late November of 1972. And I thought the purpose was to acquire a piece of property in Key Biscayne. I was not sure of that. He said he was going to a bank in New York to do this. I suggested to him he might come to our bank because we could use the business. I then had the bank send to him loan applications and all the necessary data for the preparation of a loan application to the bank. He submitted that to the bank. As I understand it, in the meantime—I think it was on the 27th of November—he either consulted me or Mr. Abplanalp and said he was closing on the property and would need the money almost immediately, and that the Hudson Valley National Bank's loan committee had not met on the loan yet. But they were meeting in a day or so, and they expected to grant him the loan. And so for a day or two Precision Valve Corp. loaned Mr. Rebozo \$225,000. I have provided to the committee a copy of both the front and back of the check from

Precision Valve Corp. to Mr. Rebozo, dated November 27, 1972, in the amount of \$225,000 to Mr. Charles G. Rebozo's account on the Key Biscayne Bank. It was a direct wire transfer to the bank on the 27th.

Mr. AMBROSE. The direct wire transfer from the Hudson Valley National Bank?

Mr. GRIFFIN. From Precision Valve Corp.'s account at the Hudson Valley Bank. I believe that the bank on the 28th or 29th passed on the loan, approved the loan, and gave him the money, at which time Mr. Rebozo wired back to the Precision Valve Corp. account the \$225,000 which he had borrowed, and that transfer was on November 30, 1972, the same amount. Those are the documents.

Senator MONTAYA. Let me ask this question: If all of you knew that the loan would be made, why was there any necessity for transferring money the day before?

Mr. GRIFFIN. As I understand it, he was closing the real estate deal where time was of the essence and needed the money that day. The bank and loan discount people were meeting the following day or the day after for approval of the loan, and in order to satisfy Mr. Rebozo and do him a favor, Mr. Abplanalp suggested we give him the gap loan of 1 or 2 late days. We wired \$225,000 to his account and you have evidence of that. He wired the money back 2 or 3 days later.

Mr. ARMSTRONG. For the record, let me note, Mr. Griffin made a reference in his comments to exhibit 12, which was entered in the record this morning. At any time did the Precision Valve Corp. act as a guarantor or provide security for Mr. Rebozo with the Hudson Valley National Bank?

Mr. AMBROSE. In connection with this specific loan?

Mr. ARMSTRONG. In connection with this specific loan.

Mr. GRIFFIN. Not that I know of.

Mr. ARMSTRONG. Can you tell us what explanation or narrative Mr. Rebozo provided to the loan committee or to the Precision Valve Corp. to indicate the purpose of what I believe was an unsecured loan?

Mr. GRIFFIN. As far as the \$225,000 from Precision Valve Corp., I believe it was to close a piece of real estate that he had to close because time was of the essence or date certain in closing. As far as the Hudson Valley National Bank is concerned, I did not review those documents on that or on the loan discount committee of the bank, although I am counsel to the bank.

Mr. ARMSTRONG. Did you yourself appear before the loan committee on Mr. Rebozo's behalf? Did you discuss it with the loan committee on Mr. Rebozo's behalf?

Mr. GRIFFIN. The loan of \$225,000 was a loan that had to be passed on by the entire board of the bank. As a member of the board of the bank, it was discussed with me, and I think you people have copies of the board of directors' minutes when that loan was discussed and approved.

Mr. ARMSTRONG. Can you tell us what representations you made to the loan committee on Mr. Rebozo's behalf?

Mr. GRIFFIN. I just said he was looking for a loan, and the possibility was that it would be a good loan for us, but that Mr. Rebozo should file financial statements with the bank and fill out the applica-

tion and fill out all the necessary documentation, and have the loan committee either approve or disapprove and then take it to the board for final approval.

Mr. ARMSTRONG. Did you, at any time, indicate to the loan committee specifically what property or the nature of the property to be purchased?

Mr. GRIFFIN. I do not remember if I did or I did not. I think I indicated there was a piece of property in Key Biscayne. He filled out all the papers and sent them back to the bank for processing.

Mr. ARMSTRONG. Do you know if this was a piece of commercial property?

Mr. GRIFFIN. I am guessing when I tell you I think it was a piece of property on Cramden Boulevard. I am not sure.

Mr. ARMSTRONG. This is the piece of property that is adjacent to the property that Mr. Abplanalp and Mr. Rebozo own together?

Mr. GRIFFIN. There are several pieces of property on Cramden Boulevard that these people own.

Mr. ARMSTRONG. Is this around the corner from the bank? Let's put it that way.

Mr. GRIFFIN. It is on Cramden Boulevard. How far from the bank, I don't know.

Mr. ARMSTRONG. Did Mr. Rebozo execute a promissory note to Precision Valve Corp. at any time?

Mr. GRIFFIN. I do not know. It was a bang-bang transaction. He needed the money, I talked with Mr. Abplanalp about it and arranged to have the money transferred to him.

Mr. ARMSTRONG. Did you, at any time, ever handle a promissory note from Mr. Rebozo to the bank? Did you, or did you not forward that to Mr. Rebozo or receive it from him?

Mr. AMBROSE. If there is one.

Mr. ARMSTRONG. The promissory to the bank note.

Mr. GRIFFIN. I do not know.

Mr. ARMSTRONG. To the best of your knowledge, the loan between the Hudson Valley National Bank and Mr. Rebozo was an unsecured note, unguaranteed loan?

Mr. GRIFFIN. If I am correct, he filed financial statements with the board and they decided on the basis of that, that it was a good loan.

Mr. LENZNER. Did you recommend this loan to the bank?

Mr. GRIFFIN. As a member of the board I passed on the loan. It required full board approval.

Mr. LENZNER. Did you recommend to them that they should approve the loan?

Mr. GRIFFIN. I said they should process the loan as every other loan is processed, that they should review his financial statement and find out whether it's good or not, that the loan discount committee should go over the loan and then come to the board under the rules and regulations. I know it came to the board and they voted on it.

Mr. LENZNER. You did not make any recommendation?

Mr. GRIFFIN. I may have said that I know it's a good loan, this is a friend of mine, I'm trying to get business for the bank. There could have been a lot of conversation in that area. I do not remember writing any specific request to them saying, "I want to make this loan," or

"I do not want to make this loan. If it's good business, we should make it."

Mr. LENZNER. Did you represent to the bank your representing Mr. Rebozo as counsel?

Mr. GRIFFIN. On this loan, no.

Mr. LENZNER. When Mr. Rebozo talked to you about this, did you say that he described the specific purpose or the details of the loan?

Mr. GRIFFIN. My recollection of this is that he needed the money to finally accomplish or sign a contract or to pay for part of the contract concerning a piece of property.

Mr. LENZNER. Did he indicate what the piece of property was to be used for?

Mr. GRIFFIN. No; he did not.

Mr. LENZNER. Did he seek any specific counsel or advice from you about the loan on the property?

Mr. GRIFFIN. This loan?

Mr. LENZNER. Yes, sir.

Mr. GRIFFIN. Not that I recall.

Mr. LENZNER. Did you do any specific research with regard to the property or the loan?

Mr. GRIFFIN. At a future date I did, regarding the property.

Mr. LENZNER. Prior to the time that the loan was obtained from the bank?

Mr. GRIFFIN. No.

Mr. LENZNER. The answer is "No"?

Mr. GRIFFIN. The answer is "No."

Mr. LENZNER. Was a separate file opened up in your law firm reflecting your representation of Mr. Rebozo for the purpose of obtaining this loan?

Mr. GRIFFIN. I do not believe so.

Mr. ARMSTRONG. Did you review Mr. Rebozo's financial statement when it was submitted with his loan application?

Mr. GRIFFIN. I think the board reviewed it, and I may have reviewed it myself.

Mr. ARMSTRONG. Did you reflect to the board or any officers of the bank any perception of Mr. Rebozo's ability to repay the loan?

Mr. GRIFFIN. I may have.

Mr. ARMSTRONG. Do you recall if you filed a memorandum to the file which is entitled "Interoffice correspondence of the Hudson Valley National Bank," regarding the liquidity of Mr. Rebozo's personal financial statement?

Mr. GRIFFIN. I could have.

Mr. ARMSTRONG. Can you identify this piece of correspondence, dated December 8, 1972, from Mr. William E. Griffin to file?

Mr. GRIFFIN. Yes; I prepared this memo. This memo is December 8, 1972.

Senator MONTROYA. Would you mark that as an exhibit?

[Whereupon, the document referred to was marked Griffin exhibit No. 20 for identification.*]

Mr. LENZNER. Would you like to see this, Senator?

Senator MONTROYA. Yes.

*See p. 10847.

Mr. ARMSTRONG. I also have a financial statement from Mr. Rebozo dated October 10, 1972. I would like to see if you recognize that financial statement.

Mr. GRIFFIN. I think it is the same one. I can only tell you by looking at the one in the bank whether it is the same one or not.

Mr. ARMSTRONG. This comes from the files of the bank. I am inquiring whether or not you recall having seen this?

Mr. GRIFFIN. I saw something similar to this. I assume it is the same one.

Mr. ARMSTRONG. Did you have any role in its preparation or give Mr. Rebozo any suggestions?

Mr. GRIFFIN. I did not.

Mr. ARMSTRONG. In the interoffice correspondence memorandums of December 8, 1972, reference is made in the second paragraph: "although the liquidity of the personal financial statement is not the best, it was decided that this would be a good loan for us in the amount of \$200,000 for 1 year and \$25,000 for 9 months."

Do you recall specifically what items on the financial statement caused you to consider the liquidity as not the best?

Mr. GRIFFIN. Yes; he only has \$12,000 in cash. The balance of it basically is long-term investment in stock, and his liquidity is not necessarily the best. The B. & C. Investment Co. is in here and several other things. Some of it is probably held corporate stock. Thus liquidity is very, very tenuous at best.

Mr. ARMSTRONG. Senator, could we have the financial statement marked as an exhibit?

Senator MONTROYA. Yes.

[Whereupon, the document referred to was marked Griffin exhibit No. 21 and may be found in the committee files.]

Mr. GRIFFIN. Senator, for your knowledge, these memorandums are written to the file for several purposes. One, of course, is to satisfy the control, the feasibility of it.

Senator MONTROYA. I understand. I have gone through that process myself.

Mr. ARMSTRONG. Are you aware, Mr. Griffin, of what the status of this loan was as of August 15, 1973?

Mr. GRIFFIN. No.

Mr. ARMSTRONG. Are you aware of its current status?

Mr. GRIFFIN. Yes.

Mr. ARMSTRONG. Can you tell me whether or not any payments on principal have been made?

Mr. GRIFFIN. To the bank?

Mr. ARMSTRONG. Yes.

Mr. GRIFFIN. The bank has been fully paid off.

Mr. ARMSTRONG. Can you tell us approximately when that payment occurred?

Mr. GRIFFIN. No. Again, it is something I can guess for you.

Mr. ARMSTRONG. Subsequent to August 15, 1973?

Mr. GRIFFIN. I can dig it out for you and get it for you.

Mr. ARMSTRONG. I would appreciate that.

Mr. AMBROSE. You do not have that from the records you subpoenaed?

Mr. ARMSTRONG. No, sir. In your memorandum of December 8, 1972, Mr. Griffin, could you tell us why in the first sentence would you say:

On the 6th day of November 1972, Mr. C. G. Rebozo, a personal friend of mine and a close associate of Mr. Robert Abplanalp, was in New York to acquire funds on a loan basis from the Bankers Trust Company.

It continues—

At a luncheon between the three of us, Mr. Abplanalp suggested to Mr. Rebozo that he acquire funds from our bank rather than any other New York bank.

Why in that paragraph or in any other paragraph in this memorandum, does it not reflect the fact that you were an attorney representing Mr. Rebozo?

Mr. GRIFFIN. I did not think it was necessary to put it in. That memorandum was only for the purpose of making the file complete for the loan, not only for the review of the bank examiners, but review of our own auditors.

Mr. ARMSTRONG. Was any bank officer aware of the fact that you represented Mr. Rebozo in securing that loan?

Mr. GRIFFIN. I really do not know.

Mr. ARMSTRONG. You do not recall informing anyone?

Mr. GRIFFIN. I do not recall not informing anyone.

Mr. ARMSTRONG. Which means you do not recall informing anyone. Senator MONTÓYA. Did you receive any compensation from Mr. Rebozo for representing him?

Mr. GRIFFIN. Not yet, Senator.

Senator MONTÓYA. Have you billed him?

Mr. GRIFFIN. I have billed him.

Mr. LENZNER. Have you billed him for the time you spent on this loan transaction?

Mr. GRIFFIN. I just billed him, I just gave him a general bill for general services, which included many items.

Mr. LENZNER. Was this loan included in the list?

Mr. GRIFFIN. General representation was listed—was included in the list. This loan?

Mr. LENZNER. Yes.

Mr. GRIFFIN. I do not recall. I could find out. It may have been. I kind of doubt it.

Mr. ARMSTRONG. Mr. Griffin, since January 9, 1969, aside from your representation of Mr. Rebozo in the B. & C. Investment Co. and in securing—providing assistance in securing the loan from the Hudson Valley National Bank, can you tell me what other business or financial transaction you've had with Mr. Rebozo?

Mr. AMBROSE. That is within the attorney-client privilege.

Mr. ARMSTRONG. Are there any that you do not consider to be within the attorney-client privilege?

Mr. GRIFFIN. In the first place, I do represent Mr. Rebozo on several transactions. I do represent—still do represent the Precision Valve Corp. and Robert Abplanalp, the main corporations. In some cases they are intermingled.

Mr. ARMSTRONG. First of all, let me specify. Do you personally, in your capacity as an individual, have any business or financial transaction with Mr. Rebozo?

Mr. GRIFFIN. You are talking about me personally?

Mr. ARMSTRONG. Yes, sir.

Mr. GRIFFIN. No; I just bought some stock at his bank.

Mr. ARMSTRONG. You have had no other business transactions with any corporations of which he is an officer or has a controlling interest, other than purchasing stock?

Mr. GRIFFIN. Personally?

Mr. ARMSTRONG. Personally.

Mr. GRIFFIN. I do not believe so. I cannot recall any.

Mr. ARMSTRONG. Have you ever acted personally as his cosignator or guarantor in any business or financial transaction?

Mr. GRIFFIN. No.

Mr. ARMSTRONG. Or provided collateral or security for him in any business or financial transaction?

Mr. GRIFFIN. No.

Mr. ARMSTRONG. Or acted as his agent, representative, or designee in any business or financial transaction, other than, and apart from, your actions as his attorney?

Mr. AMBROSE. I'm not so sure that can be separated from any legal representation.

Mr. ARMSTRONG. For example, it's conceivable to me that if Mr. Griffin was representing someone else in the transaction, and Mr. Rebozo specifically designated him to represent him in that even though he did not retain him as his attorney.

Mr. AMBROSE. It may be conceivable. It is awfully close.

Mr. GRIFFIN. If I were representing somebody else in that transaction, I would have lawyer-client relationship in that transaction.

Mr. ARMSTRONG. Not so far as you would have contact with Mr. Rebozo or a third party.

Mr. AMBROSE. As long as he would have contact with anyone in the world on behalf of his clients, it would be within legal privilege.

Senator MONTOYA. What he's saying, if he was performing as attorney for another client and engaged in a transaction with Mr. Rebozo that was strictly business and not a legal relationship, that would still come under the privilege of attorney-client. That is what you are contending?

Mr. AMBROSE. That is correct.

Mr. ARMSTRONG. I understand the contention. Individually, you have not acted as an agent, representative, or designee, apart from the attorney-client relationship?

Mr. AMBROSE. There may be circumstances—we are not answering that specifically. There may be circumstances which an agency relationship could be spelled out. But they would result from any attorney-client relationship, either with Mr. Rebozo or others. If you have something specific in mind, we would be glad to check it and see.

Senator MONTOYA. Do you have that brief there? Let me check that brief.

Mr. GRIFFIN. I have also stated for the record, when we first began, that if we raise specific areas, that they want to discuss, let me know what they were and I would be glad to go back to my clients.

Senator MONTOYA. What do you think of that? Ask the specific questions, then have him go back to his clients?

Mr. GRIFFIN. When we began this morning, Senator, I said I had discussed specifically with my clients certain areas that were designated. If you have any other specific areas that would be designated, I would be glad to take them back.

Senator MONTAÑA. I see the citation here where the client generally seeks legal advice and the existence of nonlegal incidental communications between them, does not result in the loss of the privilege? We are in a very narrow area here. I do not want to make a mistake here.

Mr. LENZNER. I appreciate that, Senator. The reference I was drawing your attention to was the reference where it's noted, "If your client seeks business advice, even though the attorney may be representing him before"—

Senator MONTAÑA. It has been established that he was representing him on legal matters, too.

Mr. AMBROSE. We admit for the record, your honor, that if Mr. Rebozo came to Mr. Griffin and asked his advice on investment in General Motors that would not constitute a legal privilege.

On the other hand, if he came to him in connection with a business deal that he was representing Mr. Rebozo on and it involved negotiating with banks for loans, or putting up General Motors stock as collateral, or the tax consequences, or anything like that, that would be incidental to the legal relationship. That would be clearly under the umbrella of lawyer-client relationship, a most treasured relationship.

Mr. GRIFFIN. Again, I will repeat, Senator, that if there are specific areas they want me to discuss, I will be glad to take them back and request both Mr. Abplanalp and Mr. Rebozo as to whether they want that waived.

Mr. ARMSTRONG. Well, on those transactions, we are particularly interested in the loan transaction that Mr. Rebozo sought and the security for those for the period January 1, 1969, to March 31, 1974.

Mr. AMBROSE. Is that a specific question? Do you want him to seek a waiver of any legal relationship on specific loan transactions which took place between—

Mr. ARMSTRONG. January 1, 1969, and March 31, 1974.

Mr. GRIFFIN. I do not understand the relevancy in 1974.

Mr. AMBROSE. Neither do I.

Senator MONTAÑA. What is the relevance of 1974?

Mr. ARMSTRONG. Senator, one of the things we've been attempting to acquire in determining the financial status of Mr. Rebozo's holdings was from the period August 15, 1973, through the end of the year, Mr. Rebozo liquidated a substantial portion of his assets. And, subsequently in 1974, he began repurchasing the property through the end of 1973, and the beginning of 1974, and in particular, some of the purchases that were made were jointly with former business associates and were on terms that were extremely favorable to Mr. Rebozo such that it has created the question in the minds of some of the staff members as to whether or not the business transactions themselves were an effort to make Mr. Rebozo whole or to assist him in recovering from a drain of funds which may have been associated with the \$100,000.

Since we received testimony from Mr. Kalmbach that that money—that Mr. Rebozo told Mr. Kalmbach that that money was, in fact, used, we have been attempting to trace down those transactions.

Senator MONTOKA. What do you have to say about that?

Mr. AMBROSE. I see absolutely no relevance to the jurisdiction of the committee on that issue. None, whatsoever. If they are looking for Mr. Rebozo's business records, his background, his dealings, and everything else, I think you ought to go to Mr. Rebozo. As I understand, he has testified here on more than one occasion, and ask him.

Senator MONTOKA. Is it your feeling that any inquiry in this area would throw a reflection on whether or not Mr. Rebozo was using campaign funds?

Mr. ARMSTRONG. Yes. The question is compounded with the question of whether, in fact, he had used campaign funds for some noncampaign purpose previously, and then he was in a position where he had either to return those campaign funds or make whole the campaign contributions. We would like to trace those.

Senator MONTOKA. I will rule that question in order.

Mr. ARMSTRONG. Mr. Griffin, since January 1969, have you personally sold or exchanged any real or personal property of Mr. Rebozo?

Mr. AMBROSE. For his own account? Mr. Griffin's own account?

Mr. ARMSTRONG. Yes.

Mr. AMBROSE. Nonlawyer relationship?

Mr. ARMSTRONG. That is correct.

Mr. GRIFFIN. Give me the question?

Mr. ARMSTRONG. Have you sold to or exchanged with Mr. Rebozo any real or personal property from January 1, 1969, to the present?

Mr. GRIFFIN. None that I know of.

Mr. ARMSTRONG. Since January 1, 1969, has Mr. Rebozo made any gifts to you valued in excess of \$100?

Mr. GRIFFIN. I do not think so. A couple of dinners, maybe.

Mr. ARMSTRONG. Since January 1, 1969, has Mr. Rebozo asked you to provide him with a quantity of cash in \$100 bills or in a quantity of currency?

Mr. GRIFFIN. No.

Mr. ARMSTRONG. Since January 1, 1969, has Mr. Rebozo provided you with any quantity of cash or currency totaling over \$1,000, with the exception of the one occasion when he left with you what purported to be \$100,000 for delivery to Mr. Gemmil in New York?

Mr. GRIFFIN. No.

Senator MONTOKA. Is the answer "No"?

Mr. GRIFFIN. No.

Mr. ARMSTRONG. Mr. Griffin, are you aware of any attempt on Mr. Rebozo's part, to obtain any quantity of currency totaling over \$1,000?

Mr. GRIFFIN. By cash, do you mean currency? Cash?

Mr. ARMSTRONG. Cash.

Mr. GRIFFIN. No.

Mr. ARMSTRONG. Since January 1, 1969, have you had any business or financial transactions with President Nixon?

Mr. GRIFFIN. Yes.

Mr. ARMSTRONG. Could you tell us what those are, sir?

Mr. GRIFFIN. I purchased the President's two lots at Key Biscayne.

Mr. ARMSTRONG. Are there any other business or financial transactions during that period, other than in your capacity as attorney for Mr. Abplanalp or Mr. Rebozo?

Mr. GRIFFIN. My personal transactions with the President?

Mr. ARMSTRONG. Right.

Mr. GRIFFIN. Just that one.

Mr. ARMSTRONG. Can you tell us how that transaction came about, sir?

Mr. GRIFFIN. I think it was Mr. Rebozo who contacted me saying that he had a buyer who was going to sell these two lots. I talked to Mr. Abplanalp about it. He thought it was a good transaction. We both looked it over. I thought it was a good business transaction, a good investment, and I acquired two pieces of property.

Mr. ARMSTRONG. You say you believe it was Mr. Rebozo who contacted you?

Mr. GRIFFIN. I think so.

Mr. ARMSTRONG. Can you tell us approximately when that was, sir?

Mr. GRIFFIN. It was closed on December 28, 1972.

Mr. ARMSTRONG. Excuse me, are you looking for additional documentation?

Mr. GRIFFIN. It was closed on December 28, 1972.

Mr. ARMSTRONG. Could you say when Mr. Rebozo called you and indicated that there was a buyer for the property? Can you tell us when you first became aware that President Nixon owned lots in the Cape Florida Development?

Mr. GRIFFIN. When I first became aware he owned them?

Mr. ARMSTRONG. Yes, sir.

Mr. GRIFFIN. I do not recall; I knew he owned them. I do not exactly know when.

Mr. ARMSTRONG. Had you ever visited the sites?

Mr. GRIFFIN. Yes.

Mr. ARMSTRONG. Do you know when you first visited them?

Mr. GRIFFIN. Specifically? November, December—

Mr. ARMSTRONG. Prior to your purchase of the property?

Mr. GRIFFIN. Yes.

Mr. ARMSTRONG. Do you recall when Mr. Rebozo mentioned that there was a party interested in purchasing the lots? If he named the party at that time?

Mr. GRIFFIN. No, I do not believe he did. He indicated somebody else was interested in buying the lots. He thought it was a good investment and discussed it with us.

Mr. ARMSTRONG. Did he indicate what price that party or parties might be willing to pay?

Mr. GRIFFIN. Yes; he indicated a price to me. I believe he indicated \$150,000.

Mr. ARMSTRONG. That is the price at which the President would sell you the property?

Mr. GRIFFIN. No. I believe it was the price he indicated he thought somebody else would buy the property, that is the price I bought it for.

Mr. ARMSTRONG. Did he indicate that you, in turn, would probably be able to resell the property?

Mr. GRIFFIN. He indicated to me that he thought it was an excellent real estate investment. As it turned out, it was. I sold the property about 9 months later, for \$180,000.

Mr. ARMSTRONG. The parties you sold the properties to, were these same parties that Mr. Rebozo had indicated had an interest in purchasing the property?

Mr. GRIFFIN. I do not believe so. He also recommended to me at that time not to sell it, because he thought he could get more money for it.

Mr. ARMSTRONG. Did you have any discussions regarding the price of the property besides with Mr. Rebozo?

Mr. GRIFFIN. Mr. Wakefield.

Mr. ARMSTRONG. Would that have been after the price had been agreed upon?

Mr. GRIFFIN. I think we had discussions concerning the fact that there was a broker involved in this. I think the price that was quoted was \$150,000 and that would net the President somewhere in the neighborhood of \$135,000 or \$140,000.

In my discussion, first off, maybe I could buy it for less—my discussion, I believe with Mr. Wakefield or Mr. Rebozo, I thought that that would not be fair. In effect, I would pay \$150,000 for the property which I understood was the offer.

Mr. ARMSTRONG. When you say—just to make sure I understand your reference—you mean buy it for less without the broker?

Mr. GRIFFIN. Without the broker.

Mr. ARMSTRONG. Who was representing the other party.

Mr. GRIFFIN. Representing the party who was interested in acquiring it. In other words, the net to the President would be less. There was some discussion concerning that.

Mr. ARMSTRONG. Did you have any discussions with the President or Mrs. Patricia Nixon Cox?

Mr. GRIFFIN. No; I did not.

Mr. ARMSTRONG. Did you have any negotiations before arriving at a price with anyone other than Mr. Rebozo?

Mr. GRIFFIN. I probably discussed it with Mr. Abplanalp.

Mr. ARMSTRONG. Can you tell us what those discussions were?

Mr. GRIFFIN. Those discussions were that this is the price of the property. We both thought it was a good piece of property. I thought it was a good investment. I thought I could make some money on it.

Mr. ARMSTRONG. Do you recall when you first identified the potential buyer? When you first identified the person to whom you were going to sell the property?

Mr. GRIFFIN. It was sometime after 6 months after I acquired the property. The advantage of holding it 6 months was capital gain. I advised Mr. Rebozo and some of the people there that if it was the right price, I certainly would be willing to sell it. Then, I do think that either Wakefield or Rebozo called me and said certain people would like to buy the property. They quoted a price and Rebozo suggested it and that's all.

He figured there would be more money in it if I waited. There was also a question of subdividing the property into two distinct lots. I basically made the decision at one point that I was going to sell it, even though he advised me against it.

Mr. ARMSTRONG. Can you tell us at what price and to whom the property was sold?

Mr. GRIFFIN. I sold the property at \$180,500 on September 7, 1973.

Mr. ARMSTRONG. Can you tell us the party to whom it was sold?

Mr. GRIFFIN. It was sold to Vicky Holding Corp.

Mr. ARMSTRONG. Can you tell us who the principals in the Vicky Holding Corp. are?

Mr. GRIFFIN. I do not know the principals. They were represented by Mr. Sabatino.

Mr. ARMSTRONG. Were you aware of any of the parties who were interested in purchasing the property at that time? Mr. Schwartz?

Mr. GRIFFIN. Something like that, yes. He showed some interest in it, that is the Schwartz from Sir Pizza. He owns Sir Pizza, something to do with Sir Pizza, which is a chain operation in Florida.

Mr. ARMSTRONG. Were you aware of Mr. Schwartz' intention of purchasing the property, repurchasing a portion of the property from the Vicky Holding Corp. at the time you sold it to the Vicky Holding Corp.?

Mr. GRIFFIN. That was a problem here. That was, that this was one piece of property where there were two lots. It was not subdivided and a method of subdivision—for example, the thought was that I could subdivide the property for two lots and sell each lot off at a much higher price than I got it for. I did not want to go through all that. If two people wanted to buy the two lots, they could probably buy it through a corporation acquiring the total lot and subdividing it among themselves. And it prevented us from going in on a subdivision on the property.

As I understand it, Mr. Louis Sabatino is the president of Vicky Holding Corp.

Mr. LENZNER. When you purchased the property, did anyone hold an interest in it besides yourself?

Mr. GRIFFIN. No.

Mr. LENZNER. You say it was not until at least 6 months after you purchased the property that you became aware of the interest in repurchase?

Mr. GRIFFIN. I did not want to sell the property or enter into any agreement concerning the property until after 6 months had passed, the title and transfer.

Mr. LENZNER. I understand that. But were you aware at the end of the 6-month period and the capital gain, that Mr. Sabatino and the Vicky Holding Corp. were interested in purchasing it from you?

Mr. GRIFFIN. It may have been, but I was not going to enter into any agreement until after the waiting period was completed.

Mr. LENZNER. You had no communication, no contact?

Mr. GRIFFIN. I do not believe I ever talked to Mr. Sabatino.

Mr. LENZNER. And did you have communication or contact with anyone about the resale of the land before the 6-month period was up?

Mr. GRIFFIN. Possibly Tom Wakefield. Not to sell it, just to advise him that it was purchased for an investment.

Mr. LENZNER. Was Mr. Rebozo, when he contacted you and Mr. Abplanalp and communicated with you with regard to the possible sale of the land, acting as the agent or representative of the President?

Mr. GRIFFIN. I assumed that he was acting as a friend. I do not know whether he was acting as an agent. You mean like a broker?

Mr. LENZNER. Yes.

Mr. GRIFFIN. I do not think so.

Mr. LENZNER. I take it you indicated to Mr. Wakefield that prior to the end of the 6-month period, you would be interested in reselling the property, at some point?

Mr. GRIFFIN. I indicated when I bought the land that the purpose of the acquisition was basically for resale. It was an investment that I thought I could make some money on. It turned out that I did. It is too bad that the President did not hold it for another 8 months.

Mr. ARMSTRONG. Was the original contact between you and the Vicky Holding Corp. through Mr. Rebozo?

Mr. GRIFFIN. Either Rebozo or Wakefield.

Mr. ARMSTRONG. Do you recall if there was any indication of whether the President was interested in selling the property at that point in time?

Mr. GRIFFIN. No. I do not recall anything being mentioned.

Mr. ARMSTRONG. Did Mr. Rebozo indicate why he was not purchasing the property himself?

Mr. GRIFFIN. No.

Mr. ARMSTRONG. So we can review the financial transactions involved, can you tell us what the amount and date of your first payment to the President was for that property?

Mr. GRIFFIN. It was a \$39,150 payment made on December 28, 1972, made payable to Wakefield, Hewitt, Webster Trust Account.

Mr. ARMSTRONG. Could you tell us what bank the check was drawn on?

Mr. GRIFFIN. It was drawn—it was a Precision Valve Corp. check drawn on the Hudson Valley National Bank, direct telephone transfer to Wakefield.

Mr. ARMSTRONG. Would you tell us how that transaction came about? Was that part of the proceeds of a loan?

Mr. GRIFFIN. \$39,150 was a loan to me which I signed a note for.

Mr. ARMSTRONG. Were there any subsequent loans from the Precision Valve Corp.?

Mr. GRIFFIN. Yes. There was another loan of \$95,000 some odd, for a total of \$135,000, and I signed a note for that at 7½ percent interest.

Mr. ARMSTRONG. Does the note include—you said a note for \$135,000?

Mr. GRIFFIN. Yes, I did.

Mr. ARMSTRONG. Can you tell us if you submitted a second check to the President?

Mr. GRIFFIN. Yes, I did; and a third check.

Mr. ARMSTRONG. There was a second check?

Mr. GRIFFIN. The second check was \$95,000 some odd—\$95,850. It was my check No. 208, which I think you have, made payable to Wakefield, Hewitt, and Webster Trust Account. That was dated January 2, 1973; and there was a third check, my personal check made payable to the President in the amount of \$15,000.

Mr. ARMSTRONG. You submitted a copy of that check this morning, your check No. 336, dated September 17, 1973, to Richard M. Nixon.

Mr. LENZNER. I believe that is exhibit 9-A you furnished this morning.

Mr. GRIFFIN. Yes, for \$15,000.

Mr. ARMSTRONG. Incidentally, is there any reason why that was not paid through Wakefield, Hewitt, and Webster?

Mr. GRIFFIN. Yes, there was, I think. No, I think I just wanted to write a check out to the President.

Mr. ARMSTRONG. Do these three checks comprise a complete full payment you made to the President?

Mr. GRIFFIN. Yes. There was \$2,000 held in escrow on the date that we closed the property, that is, the sale of the property, which was for the payment of the real estate taxes from the date I purchased it until the date I sold it. That \$2,000 was held by Mr. Wakefield as the escrow agent until the taxes were determined. I then paid them and received a check from Mr. Wakefield for the balance, which was \$300 some odd.

Mr. ARMSTRONG. Can you tell us if the two loans from the Precision Valve Corp. were personal loans?

Mr. GRIFFIN. Yes, they were.

Mr. ARMSTRONG. Whom at the Precision Valve Corp. did you approach in order to secure those loans?

Mr. GRIFFIN. I approached Mr. Abplanalp and Mr. Ferrara.

Mr. ARMSTRONG. Were they aware of the purpose of the loans?

Mr. GRIFFIN. Yes, they were.

Mr. ARMSTRONG. This was an unsecured loan?

Mr. GRIFFIN. I executed a note to them.

Mr. ARMSTRONG. The property was not encumbered in any way by the note?

Mr. GRIFFIN. No. I considered it morally encumbered, and I did pay Precision Valve Corp. back \$135,000. I did pay them back \$7,000 some odd in interest as well. I believe that you have all those checks.

Mr. ARMSTRONG. Yes, we do. Shortly after the second loan for \$95,850, you repaid a previous loan for the Precision Valve Corp. of \$100,000. Was there any reason why that money was not applied to this property transaction?

Mr. GRIFFIN. A totally different purpose. It had nothing to do with this transaction—nothing to do with the President.

Mr. ARMSTRONG. Was it also an unsecured personal loan?

Mr. GRIFFIN. No; it was a secured personal loan.

Mr. ARMSTRONG. Were you aware of the use that was made by the proceeds of this loan by the President or Tricia Nixon Cox?

Mr. GRIFFIN. At that time?

Mr. ARMSTRONG. At that time or subsequently.

Mr. GRIFFIN. No. I have now read in the paper and read in the committee report and everything else. I find it is difficult to determine what you heard and said, and what you read in the papers.

Mr. ARMSTRONG. Did you hear that Mr. Rebozo was to receive any proceeds of this loan?

Mr. GRIFFIN. I did not.

Mr. ARMSTRONG. Did you become aware of that in the committee report?

Mr. GRIFFIN. I believe that was the first time, when I read this CCH—the 200-page report.

Mr. ARMSTRONG. You did not represent Mr. Rebozo in securing that loan?

Mr. GRIFFIN. No.

Mr. ARMSTRONG. The \$65,000 loan from the proceeds of this transaction—I believe on January 8, 1974, you discussed with us the fact that Abplanalp and Mr. Rebozo had purchased property together in Key Biscayne, property that I believe was referred to as the Matheson property on Cramden Boulevard; is that correct?

Mr. AMBROSE. Is this an area you want a waiver of privilege on?

Mr. ARMSTRONG. We have had testimony on this area previously.

Mr. AMBROSE. I do not care if you have had testimony previously here or not. The question is, is this what you want within the scope? Do you want Mr. Griffin to get a waiver of privilege on this?

Mr. ARMSTRONG. I thought, in that particular area, there was a waiver of privilege since we had a full discussion of it previously.

Mr. AMBROSE. The full discussion previously may or may not have been. Mr. Griffin was not represented by counsel then. It was an informal session. If you want some testimony on this from Mr. Griffin, you had better get a waiver from the client.

Mr. GRIFFIN. You have to understand the position of me as an attorney here. I cannot waive this.

Mr. ARMSTRONG. We would like waiver on that.

Mr. AMBROSE. What is the specific area you want waiver on?

Mr. ARMSTRONG. On the acquisition of the property in Key Biscayne by Mr. Abplanalp and Mr. Rebozo. We would like waiver of any joint purchase of property by Mr. Abplanalp and Mr. Rebozo from January 1, 1969—

Mr. AMBROSE. You are extending it beyond this one item?

Mr. ARMSTRONG. I do not know whether it is one item or a series of items. I am unclear—the discussion that we had—

Mr. AMBROSE. You want him to see if he can get from Mr. Abplanalp and Mr. Rebozo a waiver of the lawyer-client privilege, on the joint purchase of any property, by Mr. Bebe Rebozo—Mr. Charles G. Rebozo—and Mr. Robert H. Abplanalp, from January 1, 1969, to when?

Mr. ARMSTRONG. March 31, 1974.

Mr. AMBROSE. To now? Is that within the scope of the period of time that we are concerned with here, Senator?

Mr. ARMSTRONG. As a matter of fact, in an issue last Friday, Senator Ervin signed a subpoena covering this same period of time, for similar financial transactions involving Mr. Rebozo.

Mr. AMBROSE. That does not attest to the—of whether Senator Ervin signed a subpoena for it. It does not vest it with any great undue legal responsibility or authority. It is irrelevant to the scope of the inquiry here—the Presidential campaign activities of 1972.

Mr. ARMSTRONG. We believe that it is for the same reasons stated—I stated—about 15 minutes ago.

Mr. AMBROSE. What reasons?

Senator MONTOYA. That custody of so much money by Mr. Rebozo, whether or not there were any subsequent transactions that would shed reflection on that.

Mr. AMBROSE. Senator, this is a specific purchase of property by two individuals, all of which are a matter of public record, I assume, in some recorder's office some place, through a period in March 1974. This is not any clandestine kind of transfer of funds or anything like that.

Senator MONTOKA. If they are public, they do not come within the privilege.

Mr. AMBROSE. Insofar as his representation of those individuals are concerned and what he did in connection with those. The question is, whether this is a time period within the purview of this committee. I submit, sir, it is not.

Senator MONTOKA. What is the purpose of this?

Mr. ARMSTRONG. The purpose, Senator, is to inquire into those transactions—series of transactions—which Mr. Rebozo may have had with Mr. Abplanalp and others. We are only concerned with this particular—concerning Mr. Abplanalp—where there was some attempt to give favorable terms or provide Mr. Rebozo with capital that would be unavailable to him in any other form, to participate in financial ventures which would allow him to profit in such a way to make him whole and replenish funds when expended when the money was returned to the Hughes Tool Co., in June of 1973, so it would be subsequent to June 1973.

Senator MONTOKA. They are related to the campaign funds?

Mr. LENZNER. That is correct.

Senator MONTOKA. That is your contention?

Mr. ARMSTRONG. Yes, sir.

Mr. AMBROSE. Sir, subsequent to the return of the so-called campaign funds—this is a new theory. This is highly speculative, Senator. Obviously one of the problems we have every time something comes up, it is spread before the newspapers. I submit, sir, it is absolutely of no relevance.

Mr. ARMSTRONG. Perhaps, at one time, it would have been prior to our having received testimony that Mr. Rebozo had indicated to other individuals that he had expended the funds, and, therefore, would have had to replenish them from one source in order to return them to Hughes Tool Co.

It would have been speculative, but since we have that testimony, and some independent verification of the testimony, I believe it is no longer a speculative assumption, but a matter of trying to determine, how, in fact, he was able to replenish those funds.

Mr. Griffin, today, has testified to the difficult position, vis-a-vis Mr. Rebozo's liquidity during that period of time, and the fact he did not have cash available. We have already seen testimony today that his attempts to dispose of property such as his portion of the B. & C. Investment Co. And we have learned today that apparently his compensation for that did not come until much later.

We are looking for—I believe the checks totaling \$295,000 came at a considerably later time, sometime toward the end of 1973, at which time, Mr. Rebozo—we have other testimony that he entered into another financial transaction with Mr. Abplanalp.

These transactions are complicated and involved. We are trying to determine what Mr. Rebozo's position was at each time and when he would have been in a position—when he could have replenished the money that he would have expended by returning it to Mr. Hughes.

Senator MONTOKA. All right.

Mr. GRIFFIN. The best evidence of that is the testimony of Mr. Rebozo.

Mr. AMBROSE. What we are doing is casting a tremendous burden on a lawyer here to seek out from his clients, as a stakeholder and representative of individuals, what they want and do not want him to testify to before your committee, Senator.

I suggest, if the committee wishes to derive that information, its first source ought to be the original source, Mr. Rebozo, or Mr. Abplanalp; not the lawyer.

If every lawyer is going to be put through this kind of test every time he turns around, we are going to be in a hell of a situation.

Mr. ARMSTRONG. There is some merit to that suggestion, Senator. As a matter of fact, we may—it may be most appropriate to call Mr. Abplanalp at the suggestion of Mr. Ambrose and Mr. Griffin, as a witness, providing Mr. Griffin—

Mr. AMBROSE. I am not suggesting that you call on anybody, Mr. Armstrong. Please do not put words in my mouth. I am quite capable of articulating my own position. My suggestion is, sir, to ask a lawyer to seek a waiver of privilege, when there are other sources available to you, is hardly the way to proceed, either under a normal investigation, or under such unusual circumstances as these.

Mr. ARMSTRONG. If you will let me finish my statement?

Mr. AMBROSE. Just do not put words in my mouth.

Mr. ARMSTRONG. It probably would have been clear to you—on a previous occasion, Mr. Abplanalp testified before us in an informal, not an executive session, and some similar, although not issues such as these particular issues, were raised.

Mr. Abplanalp was unable to provide the details because he leaves a great portion of his business affairs to Mr. Griffin. He has a great respect for his judgment and advice. Therefore, we would probably need Mr. Griffin in order to properly elicit from Mr. Abplanalp—

Senator MONTAYA. Did Mr. Abplanalp open the subject?

Mr. ARMSTRONG. You would have to check the transcript as to his testimony.

Senator MONTAYA. If he did, then the privilege is waived.

Mr. AMBROSE. First of all, there is no transcript of this meeting.

Senator MONTAYA. You do not have to have a transcript for the waiver.

Mr. AMBROSE. There is no waiver. I make that representation. I do not think there is any waiver on his part, or opening by him, unless—

Mr. ARMSTRONG. I did not make that representation. I said that I did not know.

Mr. AMBROSE. There is no way you can make that representation.

Mr. ARMSTRONG. I said that I would have to make a check of the transcript, of which I have a copy here.

Mr. GRIFFIN. There was no transcript made.

Mr. ARMSTRONG. I have a copy.

Mr. GRIFFIN. Some secretary's notes.

Mr. ARMSTRONG. It is not a transcript.

Senator MONTAYA. It is a résumé of the interview?

Mr. ARMSTRONG. It is a verbatim series of notes related to the interview. Let us proceed.

Mr. AMBROSE. Can we also get a copy of those?

Mr. ARMSTRONG. I believe Mr. Griffin has a tape of the entire interview.

Mr. AMBROSE. Is this from that tape?

Mr. GRIFFIN. I have a tape.

Mr. ARMSTRONG. Other than the Cape Florida Development Corp., have you had any business or financial transactions with the President since January 1, 1969?

Mr. GRIFFIN. No.

Mr. ARMSTRONG. Have you had any business or financial transactions since January 1, 1969, with Mr. Wakefield, other than in his capacity as an attorney for you or an attorney for the President or Mr. Rebozo?

Mr. GRIFFIN. Personal transactions?

Mr. ARMSTRONG. Yes.

Mr. GRIFFIN. Yes; he represented me when I purchased the two lots from the President.

Mr. ARMSTRONG. In no other instance?

Mr. GRIFFIN. Yes; I have had some transactions with him last week, with no relevance or relationship to this inquiry at all.

Mr. ARMSTRONG. Do those have any relationship or bearing on Mr. Rebozo?

Mr. GRIFFIN. No relationship or bearing at all on anything we are talking about. It is another business transaction.

Mr. ARMSTRONG. Strictly with Mr. Wakefield?

Mr. GRIFFIN. No; it is not strictly with Mr. Wakefield.

Mr. ARMSTRONG. Is Mr. Wakefield representing the President, Mr. Rebozo, and Mr. Abplanalp?

Mr. GRIFFIN. Yes. And so was I.

Mr. ARMSTRONG. Can you tell us what that transaction was? We would also like waiver on that.

Mr. GRIFFIN. Senator, they seem to be putting an attorney in a spot by either saying testify or go get a waiver. And, to me, that is totally unfair. And, too, you I am sure have all the testimony of Mr. Rebozo and all the testimony of all the witnesses and they're saying to me now that we want waivers of all this speculative stuff.

And unless you can show me that there is some direct bearing on something that has to do with this investigation, I do not think we have to answer those questions. I do not want to read it in the New York Times tomorrow, Senator.

Senator MONTAÑA. Do you not have any testimony from his clients about this inquiry?

Mr. ARMSTRONG. His clients' testimony would conflict with his.

Mr. GRIFFIN. Senator, he is saying something—

Senator MONTAÑA. If the subject has been opened, then the privilege has been waived. That is what I want to find out.

Mr. ARMSTRONG. What I am saying, not necessarily the transactions that occurred last week, regarding the other financial transactions that Mr. Griffin by extension is making reference to between Mr. Abplanalp and Mr. Rebozo, Mr. Rebozo has testified they do not exist. Therefore, we would feel that his testimony would be relevant.

Senator MONTAÑA. Mr. Rebozo has testified—

Mr. ARMSTRONG. That there are no transactions other than the Matheson property itself.

Mr. GRIFFIN. We are talking about a transaction that took place a week ago where I am in effect representing both Mr. Abplanalp and Mr. Rebozo in that transaction. That is what he has just asked me to get a waiver on.

Senator MONTOYA. That is subsequent to what Mr. Rebozo had testified to.

Mr. ARMSTRONG. Mr. Rebozo testified on March 28. That would be subsequent. Let me ask you:

Between January 1, 1969, and March 20, 1974, were there any business or financial transactions between Mr. Rebozo and Mr. Abplanalp besides the B. & C. Investment Co. and the Matheson property?

Mr. GRIFFIN. I am not going to list for you all the transactions where I represented either Mr. Rebozo or Mr. Abplanalp.

Mr. ARMSTRONG. I did not ask for that.

Senator MONTOYA. He asked for a yes or no answer.

Mr. GRIFFIN. Yes.

Mr. ARMSTRONG. The statement I made before——

Senator MONTOYA. Mr. Rebozo testified there was only one.

Mr. ARMSTRONG. Two.

Mr. GRIFFIN. I represent either Mr. Abplanalp or Mr. Rebozo.

Mr. ARMSTRONG. I'm asking, between the two of them were there any business or financial transactions between January 1, 1969 and March 20, 1974, between Mr. Robert Abplanalp and Charles G. Rebozo, or between the Precision Valve Co. and Charles G. Rebozo, other than B. & C. Investment Co. and the purchase of the Matheson property?

Mr. AMBROSE. We're getting in the area here where the questions are somewhat unclear.

Mr. ARMSTRONG. That could not have been more precise.

Senator MONTOYA. He has testified that Mr. Rebozo testified to those two transactions.

Mr. AMBROSE. He is not testifying; he's making a statement.

Senator MONTOYA. Did he?

Mr. ARMSTRONG. Yes, sir.

Mr. AMBROSE. It would be helpful to us.

Senator MONTOYA. The question is now on those two transactions. Mr. Rebozo said that there were no others.

What is the witness' testimony now?

Mr. GRIFFIN. Are you asking me now to divulge the Precision Valve Corp., or these transactions as his attorney?

Mr. ARMSTRONG. My comments were in response to the objection, and Mr. Ambrose's continued objections that the questions were in some way inappropriate and to prolong this hearing, or were meant in some way to cover areas that were not covered in our mandate.

I am suggesting, among other reasons, why it falls within our mandate, that we've had testimony in the past and apparently Mr. Griffin's would conflict.

Mr. AMBROSE. Senator, my position is still unchanged. I have not in any way verified that, whether Mr. Rebozo testified in such a fashion. I have no way of knowing whether Mr. Rebozo has indeed waived his privilege in this area. My advise to my client is not to testify in this area without an expressed waiver of lawyer-client privilege from Mr. Rebozo and/or Mr. Abplanalp.

Senator MONTTOYA. The only way I can rule on this is if you show me from the transcript where Mr. Rebozo testified that there were only two transactions and no others. [Pause.] I will show you the transcript after I read it to you. Question of Mr. Rebozo by Mr. Armstrong:

Can you describe the financial or business transactions you have had with Robert Abplanalp? Just briefly list them.

Mr. REBOZO. The B&C operation. You have gone through all those records. And more recently, we have purchased jointly some property on Key Biscayne.

Mr. ARMSTRONG. Can you tell us—would you describe that property?

Mr. REBOZO. On Key Biscayne?

Mr. ARMSTRONG. Just one parcel?

Mr. REBOZO. I have 150 feet next to the Bank, and 650 feet separated. I had a parcel that Abplanalp had previously bought of 450 feet. I had an option on the 650, and participated in the purchase of that. That was just this year.

Mr. ARMSTRONG. Is that property described as the Matheson property?

Mr. AMBROSE. I have not heard him say that is the only transaction.

Mr. ARMSTRONG. He lists them, and he listed two.

Mr. AMBROSE. That is not an exclusionary statement by any stretch of the imagination.

Senator MONTTOYA. You have not asked him if there are any others, have you?

Mr. AMBROSE. I would add for the record, in conjunction with this, Mr. Griffin did not represent Mr. Rebozo. He represented Mr. Abplanalp. So he has to seek the client-attorney privilege from Mr. Abplanalp.

Mr. ARMSTRONG. Well, let's seek that.

Senator MONTTOYA. He was just listing what he wanted by way of waiver. There is nothing wrong with that. You can argue that point later.

Mr. AMBROSE. I agree with you. There is no question that that is what he's asking now specifically.

Senator MONTTOYA. Just list what you want.

Mr. ARMSTRONG. That is what I am doing. Mr. Griffin raised an objection to it. It was in response to that that we got off.

Mr. AMBROSE. It is clear that that is not an exclusive question.

Senator MONTTOYA. Not so far, unless I find something else.

Mr. AMBROSE. I want to be sure that representation, insofar as that section of the transcript of Mr. Rebozo's testimony of March 21, which are pages what, Senator?

Senator MONTTOYA. It's actually—it starts at 455.

Mr. AMBROSE. Insofar as that section of the Rebozo transcript of March 21 is concerned, that does not indicate that there is an exclusive waiver or statement by Mr. Rebozo that those are the only transactions that he and Mr. Abplanalp are engaged in.

Senator MONTTOYA. I have not read the whole transcript.

Mr. AMBROSE. From what portions you have seen, sir, is that correct?

Senator MONTTOYA. Yes. I think the record will speak for itself.

Mr. AMBROSE. We do not have access to the record at this point. I just wanted to make sure that that representation was made.

Mr. ARMSTRONG. Mr. Griffin, have you had any business or financial transactions since January 1, 1969, with Mr. Kalmbach and Mr. DeMarco? I'm talking about personal.

Mr. GRIFFIN. No.

Mr. ARMSTRONG. Have you had any business or financial transactions since January 1, 1969, with any of the President's immediate family or his relatives?

Mr. AMBROSE. Personal?

Mr. GRIFFIN. I have had no business transactions other than the ones that I indicated with you with the President. I do not know who his relatives are.

Mr. AMBROSE. We have a mutual friend who is a relative of the President's wife, whom we went to college with. It was a neighbor, it was a neighbor of Mr. Griffin's. You may have had some business transactions with him at some stage.

Mr. GRIFFIN. Give me specific names; I can give you specific answers.

Mr. ARMSTRONG. The business had no bearing on the President's financial position or that of his immediate family?

Mr. GRIFFIN. No.

Mr. ARMSTRONG. Have you had any business or financial transactions with Miss Rose Mary Woods since January 1, 1969?

Mr. GRIFFIN. No.

Mr. ARMSTRONG. Have you had any business or financial transactions with Mr. Edward C. or F. Donald Nixon since January 1, 1969?

Mr. GRIFFIN. No.

Mr. ARMSTRONG. Now, there were—in the letter we forwarded to Mr. Ambrose, there was a series of financial transactions which I assume would require waiver in order to be discussed. I'm not sure, items 3 and 4—first of all, we mentioned any and all financial or business transactions between Robert Abplanalp and/or Precision Valve or President Nixon, Charles G. Rebozo, Thomas H. Wakefield. I just wanted to make sure that we specified that we would like Mr. Griffin to attempt to get a waiver on this, regardless of whether or not we address those questions, in addition to Mr. Abplanalp.

Mr. AMBROSE. Do you have any specific ones?

All of the financial and business transactions—

Mr. ARMSTRONG. Since January 1, 1969, between Mr. Abplanalp and/or Precision Valve on one side and President Nixon, Charles G. Rebozo, and/or Thomas H. Wakefield on the other side.

Secondly, all financial and business transactions—I believe we have gone through these others, Mr. Griffin with President Nixon, Thomas H. Wakefield, Charles G. Rebozo, or Patricia Nixon Cox. We have gone through all those except those in which Mr. Griffin is representing Mr. Rebozo, which I gather we have asked for a waiver on.

Mr. Griffin, are you aware of any business or financial transactions between President Richard M. Nixon and Mr. Charles G. Rebozo since January 1, 1969?

Mr. AMBROSE. That he has personal knowledge of, or that which he has derived from newspapers—what do you mean?

Mr. ARMSTRONG. Exclusive of newspapers, that is derived from any discussions from any individual or that he has personal knowledge of.

Mr. GRIFFIN. None that I can recall.

Mr. ARMSTRONG. Were you aware of Mr. Rebozo's purchase of a house in Maryland?

Mr. GRIFFIN. Yes.

Mr. ARMSTRONG. How did you become aware of that, sir?

Mr. GRIFFIN. I do not know if Bebe told me or I read in the newspaper. I'm not sure which.

Mr. ARMSTRONG. Were you aware of any loans from the President to Mr. Rebozo?

Mr. GRIFFIN. I am now; I read it.

Mr. ARMSTRONG. Prior to your reading the newspapers?

Mr. GRIFFIN. No.

Mr. ARMSTRONG. You have no knoweldge of that transaction independent of the newspaper?

Mr. GRIFFIN. No.

Mr. ARMSTRONG. Are you aware of any payments of expenses on behalf of the President by Mr. Rebozo?

Mr. AMBROSE. Do you have any personal knowledge?

Mr. GRIFFIN. No. What kind of expenses are you talking about?

Mr. ARMSTRONG. Business or personal expenses Mr. Rebozo may have paid on behalf of the President.

Mr. GRIFFIN. I do not know. Does he have a personal checking account? I do not know who handles the checking account.

Mr. ARMSTRONG. From his own funds?

Mr. GRIFFIN. Exclusive knowledge that I have.

Mr. ARMSTRONG. Any direct—any knowledge from any sources other than the newspaper.

Mr. GRIFFIN. It is not to the President. There was a bowling alley that was put in the White House, which was a gift from Mr. Rebozo and Mr. Abplanalp. There was a pool table that was purchased, given to the White House. Things like that are what you're talking about?

Mr. ARMSTRONG. These were given to the Federal Government?

Mr. GRIFFIN. They were presented to the White House. I think Mr. Rebozo and Mr. Abplanalp paid for them.

Mr. ARMSTRONG. Any other items besides those two?

Mr. GRIFFIN. A pool table. I do not really recall.

Mr. ARMSTRONG. Can you tell us the total cost or the value of those items?

Mr. GRIFFIN. No, I do not know.

Mr. ARMSTRONG. Can you recall?

Mr. GRIFFIN. The Government records would show. I do not recall. There was a pool table given, I think, for the President's birthday 2 years ago or something like that.

Mr. LENZNER. Were you involved in those transactions?

Mr. GRIFFIN. I was involved in the bowling alley transaction.

Mr. LENZNER. Representing whom?

Mr. GRIFFIN. Mr. Abplanalp.

Mr. LENZNER. Did you ever become aware of what the source of Mr. Rebozo's contribution was or how much it was?

Mr. GRIFFIN. No. I'm only aware of what Mr. Abplanalp contributed.

Mr. LENZNER. Do you know what the total cost was?

Mr. GRIFFIN. No, I do not. I am sure that is a matter of public record. I really do not know if Mr. Rebozo was involved in that. I know we were.

Mr. LENZNER. You say you do not know whether Mr. Rebozo was involved in assisting with the purchase of the gift of the bowling alley and the pool table?

Mr. GRIFFIN. I do not know whether he was contributing. I know he was involved in having it installed. It was a gift. Mr. Abplanalp contributed to the gift; who else contributed, I do not recall. Somebody in the U.S. Government asked how to make the check out from Mr. Abplanalp as our contribution toward the payment of that gift. I am not sure whether it was a gift to the President; it was probably a gift to the United States. I am sure there were several items like that.

Mr. LENZNER. I think the other question that Mr. Armstrong was getting at—did you become aware of additional expense items which Mr. Rebozo paid for, expense items that were incurred on behalf of the President or inured to his benefit?

Mr. GRIFFIN. From Mr. Rebozo or Mr. Abplanalp?

Mr. LENZNER. From Mr. Rebozo.

Mr. GRIFFIN. I do not know. I don't know whether he buys things for him or does not buy things for him on Key Biscayne. I do not know. I really do not know who handles the checkbooks for the President. I thought maybe Bebe did; I do not know. It might be.

Mr. LENZNER. You seem confused by the question. Let me ask it again. Do you know whether Mr. Rebozo paid funds of his own, either by cash or by check, for expenses on behalf of the President between January 1, 1969, and the present?

Mr. GRIFFIN. I do not know for a fact that he did.

Mr. LENZNER. Have you received any information that, in fact, he has acted?

Mr. GRIFFIN. I thought he contributed, for example, to the bowling alley. I just do not have the actual knowledge to tell you that he did. I just do not know. I know we did. I thought he did. I have no actual knowledge of that fact.

Mr. LENZNER. Do you know if Mr. Rebozo paid for expenses incurred on behalf of the President relating to the Key Biscayne and San Clemente property, other than the money that you have furnished the indication of?

Mr. AMBROSE. Would you rephrase that question? I am not sure I understand it.

Mr. LENZNER. Do you have any information that relates as to whether Mr. Rebozo paid for expenses on behalf of the President relating to the Key Biscayne property, first of all?

Mr. AMBROSE. The purchase of it?

Mr. LENZNER. No. Relating to expenses.

Senator MONTROYA. Expenses.

Mr. GRIFFIN. I have no absolute knowledge; no.

Mr. LENZNER. I was not asking for absolute knowledge. Do you have any information?

Mr. GRIFFIN. I thought he may have paid for some miscellaneous things. I am not sure. I know Mr. Abplanalp at one time was going to make a gift of something and decided not to do it. I know they were talking about putting in a pool table down in Key Biscayne. I am not sure who paid for that, who put that in. If it is that important, Senator, I could dig out the information. There are several things on it that I am sure came up.

Mr. LENZNER. Are you suggesting that there was an item that Mr. Abplanalp was going to purchase for the Key Biscayne property that he did not purchase but Mr. Rebozo did?

Mr. GRIFFIN. He may have. I do not know. I refer specifically to one item I know about—the pool table. I think they put it in down at Key Biscayne.

Mr. LENZNER. As a gift?

Mr. GRIFFIN. I guess it was a gift or an expense item.

Mr. LENZNER. Do you know whether Mr. Abplanalp or Mr. Rebozo were reimbursed for that?

Mr. GRIFFIN. I don't know.

Mr. LENZNER. Do you remember how much it cost?

Mr. GRIFFIN. I do not know. I can guess for you; \$2,000.

Mr. LENZNER. You do not have to guess. Did you have any involvement yourself in the expenses that were incurred on behalf of the President relating to the Key Biscayne property?

Mr. GRIFFIN. No; other than the property held by Mr. Abplanalp was once in the President's property.

Mr. LENZNER. The answer is "No"?

Mr. GRIFFIN. No.

Mr. LENZNER. Do you know of any other items besides the possible pool table that Mr. Abplanalp and Mr. Rebozo may have purchased on behalf of the President for the Key Biscayne property?

Mr. GRIFFIN. No, I do not; not offhand. There were certain things that were bought by Mr. Abplanalp—gifts. There were certain plaques given.

Mr. LENZNER. Things over \$1,000?

Mr. GRIFFIN. Not that I recall; no. I can check it for you. I have had no personal experience. Maybe Mr. Abplanalp has; I'll ask him.

Mr. LENZNER. Do you know whether Mr. Rebozo or Mr. Abplanalp paid for the expenses of heating, maintenance of any kind with regard to the Key Biscayne property out of their own funds?

Mr. GRIFFIN. I do not know. They may have tried to. I do not know.

Mr. ARMSTRONG. Are you aware of any trust created for the benefit of President Richard Nixon, of Charles G. Rebozo, or Miss Rose Mary Woods?

Mr. GRIFFIN. No.

Mr. ARMSTRONG. Or any trusts created for the benefit of any relative or designee of President Richard M. Nixon?

Mr. GRIFFIN. No.

Mr. ARMSTRONG. Are you aware of any trusts created by Charles G. Rebozo or by Rose Mary Woods or by President Richard Nixon?

Mr. GRIFFIN. No.

Mr. ARMSTRONG. To your knowledge, has Mr. Abplanalp or his Precision Valve Corp. or any other corporation of which Mr. Abplanalp is an officer or has a controlling interest ever permitted Mr. Charles G. Rebozo, Miss Rose Mary Woods, or President Richard Nixon to withdraw funds from a bank account owned by Mr. Abplanalp or a corporation in which he has a controlling interest or is an officer of?

Mr. GRIFFIN. In my representation of Mr. Abplanalp in this area with those corporations, I do not know, but I can ask.

Mr. ARMSTRONG. We would appreciate that. Since January 1, 1969, have you made any transfer exceeding \$1,000 in value without an adequate and full consideration in money or money's worth to President Richard M. Nixon, Mr. Charles G. Rebozo, or Miss Rose Mary Woods?

Mr. GRIFFIN. No.

Mr. ARMSTRONG. Are you aware whether Mr. Abplanalp or Mr. Rebozo has paid for expenses or made gifts associated with President Nixon's San Clemente estate?

Mr. GRIFFIN. I am sorry.

Mr. ARMSTRONG. Are you aware of any expenses paid for or gifts made by Mr. Rebozo or Mr. Abplanalp related to the President's San Clemente estate?

Mr. GRIFFIN. It is not the President's San Clemente estate.

Mr. ARMSTRONG. Related to that portion of the estate, or to that portion of the interest that he continues to hold?

Mr. GRIFFIN. I think the B. & C. Investment Co. pays part of the guard expense.

Mr. ARMSTRONG. A portion?

Mr. GRIFFIN. I am not sure. A guard or what. We have made several payments. I think there's a gate guard. I think he's on the property owned by B. & C. or on the joint property. It's one of those private gates and there is a guard there. We made certain payments as a proportionate share of that expense.

Mr. ARMSTRONG. Any other expenses you are aware of?

Mr. GRIFFIN. No.

Mr. ARMSTRONG. Any other gifts?

Mr. GRIFFIN. There have been a lot of gifts made to the President, but it's not in the form of cash or dollars. It is in the form of various things that Mr. Abplanalp may want to give to the President—plaques, nothing of any substantial value. The plaque was over \$1,000 when they had it done. It was a birthday gift.

Mr. ARMSTRONG. Any associated with the San Clemente estate?

Mr. GRIFFIN. No.

Mr. LENZNER. Did Mr. Abplanalp or Mr. Rebozo to your knowledge incur expenses related to the purchase and construction of the pool that was added to the President's house at Key Biscayne?

Mr. GRIFFIN. I think Mr. Abplanalp did. I am not sure about it. He may have. I can ask Mr. Abplanalp and find out for you.

Mr. ARMSTRONG. You do have some recollection of that, Mr. Griffin?

Mr. GRIFFIN. Yes.

Mr. ARMSTRONG. Do you have a recollection——

Mr. GRIFFIN. There is also the maintenance of the three-hole golf course. I am not counting that. That is on the property in San Clemente which was done by a group of people out in California, which we have nothing to do with.

Mr. ARMSTRONG. That is the friends of the President, or something? With regard to the pool, though, do you have any recollection of approximately when that was purchased?

Mr. GRIFFIN. No, I do not.

Mr. LENZNER. Do you have any recollection?

Mr. GRIFFIN. There was some discussion on it. Maybe Bob may have advanced the funds. I do not know. I can check it for you and get it for you.

Mr. LENZNER. Do you recall whether there was a communication on that with Mr. Rebozo?

Mr. GRIFFIN. Probably.

Mr. LENZNER. Do you know whether Mr. Rebozo advanced any funds for that?

Mr. GRIFFIN. I do not know. Let me check with Mr. Abplanalp. I will get the answer back. I do recall something.

Mr. LENZNER. We'd be interested for the record in who made the first initial request for it, how much was paid, what the form of the payment was, whether there was any reimbursement, what Mr. Rebozo's role, including what he may have provided, if you know.

Mr. GRIFFIN. Yes.

Mr. LENZNER. Let me say also, if I can, we would also request and appreciate any other items of that nature. I am not talking of plaques now, but any substantial expense items that may have been incurred on behalf of the President by Mr. Abplanalp or Mr. Rebozo to your knowledge.

Mr. GRIFFIN. There were substantial expenses incurred by Mr. Abplanalp at Grand Key, which is an island the President goes to visit. These are expenses that the Government said that he wanted to put in, but he refused to do it. He built all the roads there. He built gazeboes, the houses, the helicopter. He put in the security. He paid for it himself.

Mr. LENZNER. I was restricting the question to the Key Biscayne property. I take it Mr. Rebozo took no expenses on Key Biscayne?

Mr. GRIFFIN. No.

Mr. LENZNER. Let's restrict it to the Key Biscayne property.

Mr. ARMSTRONG. The property owned by the President.

Mr. LENZNER. The property owned by the President.

Mr. ARMSTRONG. Are you acquainted with Mr. James Golden?

Mr. GRIFFIN. Yes.

Mr. ARMSTRONG. Mr. Golden is a former secret service agent serving with the President.

When did you become acquainted with Mr. Golden?

Mr. GRIFFIN. During the 1968 campaign, the 1968 primary.

Mr. ARMSTRONG. Can you tell us when you last had any conversation or spoke with Mr. Golden?

Mr. GRIFFIN. I do not know—6 months ago, 4 months ago.

Mr. ARMSTRONG. Can you tell us the context of that conversation?

Mr. GRIFFIN. He called to say hello. He had moved and called to say hello. I think he was back in Washington then. At one time he had transferred jobs and he was out in Las Vegas.

Mr. ARMSTRONG. Did you have any discussion at that time relating to the so-called Hughes contribution to Mr. Rebozo?

Mr. GRIFFIN. None at all.

Mr. ARMSTRONG. Or the return of that money?

Mr. GRIFFIN. No.

Mr. ARMSTRONG. Do you recall prior to that when you had last spoken to Mr. Golden?

Mr. GRIFFIN. Periodically he calls, I would say like two or three times in a year, maybe.

Mr. ARMSTRONG. Do you recall during the period you held funds on behalf of Mr. Rebozo for the return in New York to Mr. Gemmill or Mr. Glaeser, do you recall whether Mr. Golden called during that period of time or shortly thereafter?

Mr. GRIFFIN. As I said before, I discussed those funds with no one other than Mr. Rebozo and Mr. Gemmill until they appeared in the newspapers sometime in October. You have the article, the day it appeared. It is marked as an exhibit. That includes any discussions with Mr. Abplanalp or anybody else.

Mr. ARMSTRONG. You recall why Mr. Golden might have called you on June 10?

Mr. GRIFFIN. I know Jim as a friend. I went to his wedding. I know his wife.

Mr. ARMSTRONG. Did he mention having any contacts with the firm of Davis and Cox that day?

Mr. GRIFFIN. No, he said hello. I don't know if he said he was back in Washington or North Carolina or someplace, that he was back.

Mr. ARMSTRONG. The fact that he called Davis and Cox a few minutes prior to his call to you would be to your knowledge, unrelated?

Mr. GRIFFIN. Totally unrelated.

Mr. AMBROSE. Could you identify Davis and Cox?

Mr. ARMSTRONG. It is the law firm of which Mr. Chester Davis is a senior.

Mr. AMBROSE. I found out that his office was in the same building as ours was in New York. I never knew that before.

Mr. GRIFFIN. All I knew was that Mr. Golden was working for the Hughes organization or some group out in Las Vegas.

Mr. ARMSTRONG. Subsequent to our meeting on January 8, 1974, in New York, can you tell us who, if anyone, you reported to on the substance of that meeting?

Mr. AMBROSE. I must object to the question. I see no relevance whatsoever to the inquiry.

Can you explain it to me? Obviously, he's discussed it with me.

Mr. ARMSTRONG. Other than counsel. I am puzzled why the relevance is not self-evident.

Senator MONTAYA. I do not see anything wrong with that question?

Mr. AMBROSE. I do. If he wants to talk to anybody about something that goes on, there's no prohibition against that. What is the relevance?

Is he trying to embarrass this witness? Is that the purpose of it?

Senator MONTAYA. You can file through and get some testimony from some of the witnesses where they have one version on one day and one version another day.

Mr. AMBROSE. The testimony, the discussion was with Mr. Armstrong and Mr. Lackritz, I suspect Mr. Lenzner. Whether he also discussed it with anybody in the world has no relevance whatsoever. Now, it is clear to me, an implication to try to show that this witness was discussing it all over the place. There is no prohibition on his discussing it. I do not think it is relevant.

Mr. ARMSTRONG. Mr. Griffin, did you contact any representative of the White House or the Nixon administration subsequent to that meeting?

Mr. LENZNER. With regard to the subject matter discussed at the meeting.

Mr. GRIFFIN. Which meeting?

Mr. ARMSTRONG. January 8, 1974.

Mr. AMBROSE. I see no relevance whatsoever.

Senator MONTROYA. I'm going to overrule you on that.

Mr. GRIFFIN. I do not recall I did. I may have. Not a substantive discussion.

Mr. ARMSTRONG. Do you recall who you may have talked to?

Mr. GRIFFIN. At the White House?

Mr. ARMSTRONG. Yes, sir.

Mr. GRIFFIN. I do not think I talked to anybody at the White House.

Mr. ARMSTRONG. Do you recall that you talked to Mr. Rebozo?

Mr. GRIFFIN. Yes; I talk to Mr. Rebozo three times a week.

Mr. ARMSTRONG. Regarding our interview on January 8—can you tell us when you talked to him, the substance of that conversation?

Mr. GRIFFIN. Just a general discussion that I was down there and I appeared before you people. Certain areas were discussed. I also discussed it with Mr. Abplanalp at that time.

Mr. ARMSTRONG. Did Mr. Rebozo ask any questions on what the particular areas came up?

Mr. GRIFFIN. No; it was a very general conversation.

Mr. ARMSTRONG. Did Mr. Rebozo specifically ask you whether or not Mr. Kalmbach's name had come up?

Mr. GRIFFIN. No.

Mr. ARMSTRONG. Did you tell him whether or not Mr. Kalmbach's name had come up?

Mr. GRIFFIN. I do not think I did. I don't even know whose name came up.

Mr. LENZNER. Did you talk to Mr. Rebozo the day that we interviewed you in New York, on January 8, 1974?

Mr. GRIFFIN. I do not know. I just do not know. I may have. I really do not know.

Mr. LENZNER. You have no recollection of placing a phone call?

Mr. GRIFFIN. Do you have my telephone records?

Mr. LENZNER. No.

Mr. AMBROSE. The answer to the question is, he really did not remember.

Mr. GRIFFIN. I do not. I may have.

Mr. LENZNER. Do you recall calling him from New York before or immediately after the interview?

Mr. GRIFFIN. The interview—no, no; I did not.

Downtown New York?

Mr. LENZNER. Yes.

Mr. GRIFFIN. No.

Mr. LENZNER. Before or immediately afterwards?

Mr. GRIFFIN. No; I grabbed a train and went home. I may have talked to him that night. I really do not know.

Mr. ARMSTRONG. If you called him, would it have been from your office or home phone?

Mr. GRIFFIN. Yes.

Mr. ARMSTRONG. Not from a pay phone?

Mr. GRIFFIN. If it were from a pay phone it would be on my records because I usually use credit cards.

Mr. LENZNER. Your recollection now is you have no recollection?

Mr. GRIFFIN. If I went back and checked my telephone records I could tell you whether or not I made a call to a specific number. I do not recall whether I talked to Mr. Rebozo that day or not.

Mr. LENZNER. You have no recollection of calling or communicating with anyone who was employed at the White House or who represents the White House or the President with regard to your interview of January 8, 1974?

Mr. GRIFFIN. I do not recall.

Mr. LENZNER. Mr. Buzhardt?

Mr. GRIFFIN. I have never talked to Mr. Buzhardt.

Mr. LENZNER. You have never discussed the subject of the Hughes money to Mr. Rebozo with Mr. Garment?

Mr. GRIFFIN. No.

Mr. LENZNER. Or anyone else at the White House?

Mr. GRIFFIN. No.

Mr. ARMSTRONG. Have you discussed it with Mr. Frates?

Mr. GRIFFIN. Yes.

Mr. ARMSTRONG. Could you tell us when that occurred?

Mr. GRIFFIN. No.

Mr. ARMSTRONG. Shortly after the January 8 meeting?

Mr. GRIFFIN. I do not recall.

Mr. LENZNER. In person or telephonically?

Mr. GRIFFIN. Probably by telephone, if I did. Mr. Frates does some work for us in another area. I may have talked to him in that area. I am not sure.

Mr. LENZNER. Did you furnish him or anyone else with a memorandum reflecting the substance of the interview?

Mr. GRIFFIN. No.

Mr. ARMSTRONG. Do you recall the last time you spoke with Mr. Kalmbach?

Mr. GRIFFIN. A couple of weeks ago.

Mr. ARMSTRONG. Do you recall the substance of that conversation?

Mr. GRIFFIN. The refinancing of San Clemente?

Mr. ARMSTRONG. When you say a couple weeks ago, during this month, during April?

Mr. GRIFFIN. It might have been.

Mr. ARMSTRONG. What role did Mr. Kalmbach have?

Mr. GRIFFIN. I think it was with Frank DeMarco.

Mr. LENZNER. Do you recall the last time you spoke to Mr. Kalmbach?

Mr. GRIFFIN. Within the last month.

Mr. ARMSTRONG. Have you ever had a discussion with Mr. Kalmbach related to the Hughes contribution?

Mr. GRIFFIN. No.

Mr. ARMSTRONG. Do you recall when you first learned that Mr. Kalmbach had had a discussion with Mr. Rebozo regarding the use of the \$100,000?

Mr. GRIFFIN. Come again?

Mr. ARMSTRONG. Can you recall when you first learned that Mr. Kalmbach had a discussion with Mr. Rebozo regarding the use of \$100,000 received from Mr. Hughes?

Mr. GRIFFIN. The use of it?

Mr. ARMSTRONG. Yes.

Mr. GRIFFIN. Or the fact that Mr. Rebozo asked him for advice?

Mr. ARMSTRONG. Either one.

Mr. GRIFFIN. I am vague on this. I am not sure whether Rebozo told me that he had discussed the question, getting advice from Kalmbach or not, or read it in a newspaper. I have some recollection that Bebe may have said to me that he discussed this with Kalmbach when he talked to me about it in May. I am not really sure of that. I read my testimony last time; I'm still not sure of it.

Mr. ARMSTRONG. Do you recall if you made reference to having advised Mr. Kalmbach that he used the money in some way?

Mr. GRIFFIN. No.

Mr. ARMSTRONG. No, he did not make reference to that?

Mr. GRIFFIN. No reference to that at all.

Mr. ARMSTRONG. Do you recall when you first learned that Mr. Kalmbach and Mr. Rebozo had spoken of the use of the money?

Mr. AMBROSE. Say that again.

Mr. ARMSTRONG. Do you recall the first time when he spoke about the use of the contribution?

Mr. GRIFFIN. You are talking about Kalmbach's alleged testimony?

Mr. ARMSTRONG. Yes, sir.

Mr. GRIFFIN. The first time I read it in the newspapers.

Mr. ARMSTRONG. The substance.

Mr. AMBROSE. The testimony that was taken, in executive session, before this committee, which appeared in the New York Times, is that what you have reference to?

Mr. ARMSTRONG. I am talking about the substance of the testimony, not the fact that it appeared in the New York Times or the fact—

Mr. AMBROSE. Is that the testimony you have reference to?

Mr. ARMSTRONG. The fact that the allegation that Mr. Rebozo, made by Mr. Kalmbach, that he used the money.

Mr. GRIFFIN. When I read it in the newspapers.

Mr. ARMSTRONG. Subsequently, have you had any other independent source of knowledge on that subject?

Mr. GRIFFIN. I have not.

Mr. LENZNER. Have you discussed that with Mr. Frates, that question?

Mr. GRIFFIN. I have not.

Mr. LENZNER. What is your most recent contact with Mr. Frates?

Mr. GRIFFIN. I do not know, a week ago.

Mr. LENZNER. Did you discuss any aspect of the money Mr. Rebozo received from the Hughes Tool Co.?

Mr. GRIFFIN. No. We were not discussing that matter.

Mr. LENZNER. You have had several discussions, I take it, with Mr. Frates with regard to the \$100,000.

Mr. GRIFFIN. I had several discussions with Mr. Frates about an action taken on my behalf.

Mr. LENZNER. Nothing relating, no discussions with Mr. Frates with regard to the \$100,000 that Mr. Rebozo received?

Mr. GRIFFIN. Maybe just a general discussion that I testified to it. Nothing specific.

Mr. LENZNER. You furnished him with no information with regard to the questions or the answers that were asked you in January 1971?

Mr. AMBROSE. Let's get something straight. Are we not trying to find out whether Mr. Griffin is the source of leaks to the newspapers and to Newsweek magazine, is that the purpose of this inquiry? If that is the case, I think maybe the Senator ought to start asking you people under oath who is leaking these things to the newspapers. This is getting a little out of hand and I object to it, Senator.

Mr. Griffin, did you make any statements to the newspapers about this case or did you leak the testimony?

Mr. GRIFFIN. No.

Senator MONTOYA. He answered it no.

Mr. ARMSTRONG. Mr. Griffin, do you recall the last time you spoke with Mr. Danner, Richard Danner?

Mr. GRIFFIN. I do not believe I've ever spoken with Mr. Danner.

Mr. ARMSTRONG. Mr. Griffin, you have furnished us with an airplane ticket. Does that reflect the first trip you made to Florida to consult with Mr. Rebozo with regard to \$100,000? It is exhibit 10, Senator.

Mr. GRIFFIN. We went over this last time.

Mr. LENZNER. I now produce an airplane ticket that appears to be, which was issued on May 1, 1973. I am asking you, does this ticket represent your trip to Florida where you first discussed with Mr. Rebozo the question of the \$100,000?

Mr. GRIFFIN. I said I thought I had made another trip in late April. I may have. I can't find any tickets for it. I testified to that before. You asked me to produce that ticket, which was the May 3 trip that I made to Miami, and that is the ticket.

Mr. AMBROSE. The testimony, as I recall, he may or may not have discussed this matter with Mr. Rebozo.

Mr. LENZNER. Are you saying now, sometime in May Mr. Rebozo did indicate to you that he had discussed this same subject with Mr. Kalmbach?

Mr. GRIFFIN. I just do not know. I read over my testimony about that. I do not know whether Bebe said to me at one of these meetings that he had also asked Herb for some advice. However, Mr. Lenzner, I just cannot recall. He may have. I just do not know.

Mr. LENZNER. Did he indicate he and Mr. Kalmbach had met at the White House?

Mr. GRIFFIN. No, he did not.

Mr. ARMSTRONG. As I understand, you testified a few moments ago that you reported our meeting on January 8, 1974, to Mr. Rebozo, Mr. Abplanalp, and Mr. Frates, and of course, you've had discussions with your counsel which we are not interested in. Do you recall if you discussed it with anyone else?

Mr. GRIFFIN. It was not a report on the testimony. I happened to mention it, I believe, that I was down there and testified. It was not a

report on what I testified to or what I testified or what the subjects were, the specifics. It was a very general conversation.

Mr. ARMSTRONG. Do you recall if you discussed it with anyone other than those three individuals?

Mr. GRIFFIN. I discussed it with other individuals. I discussed it with my wife.

Mr. ARMSTRONG. Anyone else?

Mr. GRIFFIN. Some of my law partners. I also discussed it with several other counsel.

Mr. ARMSTRONG. Did you discuss it with anyone else?

Mr. GRIFFIN. With about four other lawyers.

Mr. ARMSTRONG. Do any of those gentlemen represent you?

Mr. GRIFFIN. They may. As I am sure you are aware, I have been not only embarrassed by the publicity that has come out, in my opinion, I have been damaged by some of it. I have received very derogatory mail. I have lost several clients. And I feel frankly, Senator, that I have really been damaged and I have consulted several lawyers concerning the question of bringing a lawsuit.

Mr. ARMSTRONG. Other than those consultations, have there been any others?

Senator MONTÓYA. About the leakage of the testimony.

Mr. GRIFFIN. Yes, sir.

Senator MONTÓYA. I think it it terrible. I agree with you. I do not know how to stop it. We have tried to stop it.

Mr. GRIFFIN. To give you an example just so you know, I'm a member of the bank board, and the publicity hits the newspapers up there and it's just that with the innuendo in the newspapers—I do not know who does it—to the fact that the bank puts it to me: "You are creating a very bad image for this bank. Maybe you should step down. Maybe you should not be the counsel of this bank. Maybe you should not be on this board."

That to me, is directly related to the newspaper stories and the board feels very strongly that these things are hurting the bank and hurting me personally. And I have consulted several lawyers concerning that.

Senator MONTÓYA. I sympathize with you. We have been trying to stop these leaks here and we have just met with utter failure.

Mr. LENZNER. One other question: Did Mr. Rebozo indicate in his discussions with you, Mr. Griffin, whether he had received other contributions similar to the contribution he had received from the Hughes Tool Co., that is, the cash that he had kept in his safe-deposit box?

Mr. GRIFFIN. I do not believe so. The only thing we discussed, and I went down to discuss it, was the question of the \$100,000 Hughes contribution.

Mr. LENZNER. He at no other time mentioned to you any other contribution he had received in cash?

Mr. GRIFFIN. No.

Mr. ARMSTRONG. Are you familiar with Mr. Jack Davis or Mr. James Crosby, principals of Resorts International?

Mr. GRIFFIN. I am. Yes, I am.

Mr. ARMSTRONG. Can you recall in what context and when you met those gentlemen?

Mr. GRIFFIN. The first time I met them I believe was at the inauguration in 1969.

Mr. ARMSTRONG. Have you ever had discussions with those gentlemen regarding the acquisition of Pan American Airlines sought by Resorts International?

Mr. GRIFFIN. Yes.

Mr. ARMSTRONG. Can you recall when that was and under what circumstances?

Mr. GRIFFIN. I do not recall when it was, sometime after January 1969. It may have been 1970. I don't know exactly when. There was one conversation I had with them.

Mr. ARMSTRONG. Do you recall if anyone else was present on that occasion?

Mr. GRIFFIN. I think Mr. Peloquin.

Mr. ARMSTRONG. Mr. Peloquin, Mr. Davis—

Mr. GRIFFIN. I believe Mr. Crosby and I believe Mr. Abplanalp.

Mr. ARMSTRONG. Can you recall where it took place?

Mr. GRIFFIN. I think we had lunch or dinner and I think it was in Washington. I think maybe it was at the Mayflower.

Mr. ARMSTRONG. Can you relate briefly the substance of the conversation?

Mr. GRIFFIN. It was a very brief conversation. Apparently, Resorts International had obtained options to acquire some stock of Pan American, that they were being attacked concerning these options and really did not know how to counterattack it in any manner, shape, or form. It was just a general discussion as to what they may be able to do.

I suggested to them that they go around and discuss it with the various Senators who were involved. That was about the extent.

Mr. ARMSTRONG. Senators that were involved?

Mr. GRIFFIN. Yes.

Mr. ARMSTRONG. In the passage of legislation that restricted them?

Mr. GRIFFIN. There were some proposed legislation at that point prepared by Senator Magnuson and some others. I suggested that they go see the Senators.

Mr. ARMSTRONG. Did anyone at that meeting suggest that someone should talk with the President or some representative of the Executive Office?

Mr. GRIFFIN. There was no discussion concerning the White House.

Mr. ARMSTRONG. They made no request of you or Mr. Abplanalp to speak to the President on their behalf or any representative of the President of what would be so desired from them in order to stave off this legislation?

Mr. GRIFFIN. No. The discussion centered around that they were not familiar with Washington, nor was I, and they had this problem. They wanted at least to put their best foot forward. I suggested they go see the various Senators involved and explain it to them.

Mr. ARMSTRONG. To your knowledge, was there any other occasion in which those gentlemen—that is, Mr. Davis, Mr. Crosby and/or Mr. Peloquin—spoke to yourself or Mr. Abplanalp regarding the President or the Executive Office of the President?

Mr. GRIFFIN. There was no discussion of me at all.

Mr. ARMSTRONG. You are not aware of any with Mr. Abplanalp?

Mr. GRIFFIN. I am not aware of any.

Mr. ARMSTRONG. Were there any discussions on that occasion about campaign contributions on the behalf of Resorts International?

Mr. GRIFFIN. None.

Mr. ARMSTRONG. To your knowledge, has the President or has Mr. Rebozo or has Mr. Mitchell, the Attorney General, ever maintained a large quantity of cash, that is, cash currency in excess of \$1,000 in any location other than a bank account or a safe-deposit box?

Mr. GRIFFIN. I beg your pardon?

Mr. ARMSTRONG. To your knowledge, has the President or Mr. Rebozo or Mr. Mitchell ever maintained a large quantity of cash that is in excess of \$1,000 in any location other than a bank or account or safe-deposit box?

Mr. GRIFFIN. None that I know of. Mr. Rebozo apparently maintained \$100,000.

Mr. ARMSTRONG. Other than a bank account or a safe-deposit box?

Mr. GRIFFIN. No.

Mr. ARMSTRONG. Are you aware of any foreign—that is to say non-domestic—bank accounts or safe-deposit boxes that Mr. Rebozo or the President had maintained?

Mr. GRIFFIN. No.

Mr. LENZNER. One thing we have used in the past, Senator, which has reduced some of the leaking, and that is to put a control on the copies of executive session transcripts, and also ask that no notes of the interview—I have not taken any, but other people, they have taken—not be typed or disseminated, and that if anyone seeks to determine what went on, they could perhaps sign up down at Mr. Dash's office or someone's office for a copy of the executive session transcripts so we have a log of who's had access to it and who hasn't.

Mr. AMBROSE. On that subject, Senator, I think there are other ways of establishing who leaked this information, frankly very easily established.

I make a representation to you, sir, that we have not under any circumstances or do not intend to have some prohibition imposed on me that I cannot consult with other lawyers or legal counsel in those matters related to this or anything else, and any attempt to put this client down for that purpose under the guise of stemming leaks that come from this committee seems to me to be highly inappropriate.

Senator MONTOYA. I do not think we can prohibit the lawyer from taking notes.

Mr. LENZNER. That was not the purpose, Mr. Ambrose. I hope you know that was not the purpose.

Mr. AMBROSE. I want to make sure it is not.

Mr. LENZNER. No.

Mr. AMBROSE. I am highly suspicious under the circumstances, in view of the damage that has been done to my client here, Senator, which he has relayed only a portion of. I am, to say the least, very, very suspicious.

Mr. LENZNER. In that case, I will withdraw my offer and my suggestion that we try to restrict access to this information.

Senator MONTOKA. I think it should be restricted to anyone.

Mr. AMBROSE. Under the rules of the Senate—

Mr. ARMSTRONG. Mr. Ambrose, do you have with you the phone records of Mr. Griffin presented last time?

Mr. AMBROSE. No.

Mr. ARMSTRONG. Do you have those in your office up here?

Mr. AMBROSE. No. Which phone records?

Mr. GRIFFIN. Just a minute. There's one thing I do want to put on the record concerning those phone records. There were telephone conversations, telephone calls that I or someone in my office made on the 27th of June. I asked at that time whether there was anyone that knew where Mr. Rebozo was on that day. Mr. Armstrong testified that he was at Key Biscayne.

Mr. AMBROSE. You made the statement that he was in Key Biscayne. It appears in a transcript. You should not shake your head and say you did not because you did.

Mr. GRIFFIN. That information was totally false. He was not in Key Biscayne that day. He was in San Clemente.

The telephone calls that were made that day to the White House switchboard was to find Mr. Rebozo in California through the White House switchboard. If I were to call him in Florida, I would have called him on the number in Florida. I was under the impression during Mr. Armstrong's testimony, in effect, that Mr. Rebozo was in Key Biscayne. He was not.

Mr. AMBROSE. These are the list of phone calls, which I thought we had given to the committee on prior occasion, which were extracted from the record after you looked it over. Are they not in evidence, Mr. Lackritz?

Mr. LACKRITZ. That is correct. They are in evidence.

Mr. AMBROSE. If there are any other telephone calls that you'd like, I'd be glad to find them.

Mr. ARMSTRONG. We wanted an opportunity to see the originals.

Mr. AMBROSE. Why don't you come over to my office tomorrow and we'll have them there?

Senator MONTOKA. Are we finished?

Mr. ARMSTRONG. We will adjourn for the time being.

[Whereupon, at 3:55 p.m., the hearing in the above-entitled matter adjourned.]

GRIFFIN EXHIBIT No. 7

Grumman Goose Reg. No. N-150M

Grumman Mallard Reg. No. N-2954

GRIFFIN EXHIBIT No. 8

WILLIAM E. GRIFFIN ATTORNEY AT LAW 30 SOUTH BROADWAY YONKERS, N. Y. 10701		633	
PAID		SEPT. 13 1977	50-930 213
		\$7284.37	
THE ORDER OF <i>Precision Valve Corporation</i>		DOLLARS	
Seven Thousand Two Hundred Eighty Four ³⁷ / ₁₀₀			
FOR <i>INTEREST</i>		HUDSON VALLEY NATIONAL BANK YONKERS, N. Y.	
HUDSON VALLEY NATIONAL BANK 35 E. GRADY STREET, YONKERS, N. Y. 10710		<i>Wm. E. Griffin</i>	
⑆0213⑆0930⑆⑆0⑆⑆0000⑆⑆20⑆⑆		⑆0000728432⑆	

SEP 21 1973

50-930
213

PAY TO THE ORDER OF
HUDSON VALLEY NATIONAL BANK
Yonkers, New York
FOR DEPOSIT ONLY
Preval Spray Division
Special Products Division
PRECISION VALVE CORPORATION
01 00000 801

GREENIN EXHIBIT No. 9B

DEC 21 1967
PAID ANY BANK, P.O.
The Chase
NEW YORK, N.Y.

PAY TO THE ORDER OF
HUDSON VALLEY NATURAL BANK
DEC 21 Montreal New York
FOR DEPOSIT ONLY

Preval Spray Division
Special Products Division
PRECISION VALVE CORPORATION
OIL COOKER #01

PAY ANY BANK, P.O.
THE NEW YORK
F-126

DEC 21 1967

DEC 21

Wednesday, December 12, 1973

NIXON AIDE ACTED ON REBOZO REFUND

**Tax Lawyer Says He Told
Banker to Return Cash
to Hughes Lawyer**

By JOHN CREWDSON

Special to The New York Times

WASHINGTON, Dec. 11 — One of President Nixon's chief advisers in preparing the statement of his personal finances also acted as a key intermediary in the return of \$100,000 in cash from Charles G. Rebozo, the Florida banker, to a lawyer for Howard R. Hughes, the billionaire, it was disclosed today.

Kenneth W. Gemmill, a Philadelphia tax lawyer who worked without pay for a month at the White House on last weekend's voluminous report of Mr. Nixon's financial dealings confirmed today that he had advised Mr. Rebozo last spring to return the money and make a voluntary disclosure on the matter to the Internal Revenue Service.

Mr. Gemmill was identified in secret testimony before the Senate Watergate committee earlier this month as having first informed Chester Davis, the Hughes lawyer, that Mr. Rebozo wished to return the funds.

Mr. Davis also testified that Mr. Gemmill told him, "I do not care what you do with the money after I deliver it to you, but I want it delivered in currency."

The disclosure of Mr. Gemmill's role in the return of the Hughes money is the first-known connection between any of those involved in the financial aspects of Mr. Nixon's "Operation Candor" and the transactions that have thus far come under examination by the Senate Watergate committee or other investigative agencies.

The Watergate committee reportedly has taken testimony indicating that part of the \$100,000, which Mr. Nixon has called a campaign contribution, may have been given by the Hughes organization in return for favors from the administration on antitrust and other matters.

From a Third Person

At a recent news conference, the President described the Hughes money as a contribution to his re-election campaign last year, but said that Mr. Rebozo, his close friend, had never given the funds to his campaign committee for fear that the gift "might prove to be embarrassing."

Walter Glaeser, an aide to Mr. Davis, told the Watergate committee staff in a closed session on Dec. 4—the same day that Mr. Davis testified—that he had been appointed by Mr. Davis to meet Mr. Gemmill in a New York bank last June 27 to receive the refund.

He arrived at the Marine Midland Bank that morning, Mr. Glaeser recalled, and met Mr. Gemmill, but was told that the cash itself would be delivered shortly by a third individual, who eventually arrived, identified himself and handed over the money.

"Was that Mr. William Griffin?" Mr. Glaeser was asked. "It might have been, yes," he replied.

Terry F. Lenzner, an assistant committee counsel, inquired whether Mr. Glaeser was "aware at the time that Mr. Griffin represent Mr. Abplanalp."

Mr. Glaeser said he had not been aware of that.

Mr. Griffin is the secretary of the Precision Valve Corporation, which is owned by Robert H. Abplanalp, another close friend of Mr. Nixon's and, like Mr. Rebozo, a multimillionaire.

Mr. Glaeser said that he and Mr. Gemmill proceeded to count the 1,001 \$100 bills that Mr. Griffin had handed over, checking each one against a list of serial numbers that had been included in the package. He said they found one or two minor errors, which were subsequently corrected. Mr. Davis has furnished a copy of the list to the Watergate committee.

Despite Mr. Nixon's public assertions that the Hughes payment was intended as a contribution for his 1972 campaign Mr. Davis insisted repeatedly before the committee staff that "the money was delivered to Mr. Rebozo in 1970 in connection with the Congressional campaign," and had "absolutely nothing to do with" the 1972 election.

When he was first telephoned by Mr. Gemmill and told of Mr. Rebozo's desire to return the \$100,000, Mr. Davis said, he was unaware that the Hughes organization, which he represents as general counsel, had ever made such a payment.

He subsequently determined, he said, that the money was to have been used in the 1970 campaign and that "Mr. Rebozo or the Administration was to decide which campaign, Senatorial or Congressional, was to get financial support."

Reached by telephone at his Philadelphia office, Mr. Gemmill declared that he had no idea why Mr. Rebozo had chosen to call him "out out of the blue" for advice on the handling of the money.

But, he added, the request had "no connection at all" with his service as an unpaid adviser to Mr. Nixon.

"People are always calling me from all over the country," Mr. Gemmill said.

GRIFFIN EXHIBIT No. 12

from the desk of ... LUCY AVERSA

11/11

CR Advice-D/G

FLA. NATL. BANK

APF
NOV. DATE

VENOOR # 33150

\$ 225,000.00

CODE # 116

FILE
REB020
VO # 1172717

HUDSON VALLEY NATIONAL BANK

DEPARTMENT / BRANCH	APPROVED BY	DATE	AMOUNT OF CREDIT
MAIN	WJ	11/30/72	225,000

WE CREDIT YOUR ACCOUNT AS FOLLOWS:

Transfer of Funds from Fla. Natl. Bk by order of Charles W. Rhye

PRECISION VALVE CORPORATION
700 BEPPERHAN AVE.

YONKERS, N.Y. 10703 #61-00660-801

11/30/72

10802

FOR DIRECT TEL TRF Fed Funds
Florida National Bank Miami Fla
Cr a/c Key Biscayne Bank
Key Biscayne Florida
FOR CR TO a/c CHARLES G. REBOZO
PRECISION VALVE CORPORATION

Wade Press & Treas

PAY ANY BANK	
P.E.G.	
NOV 27 42 930	
HUDSON VALLEY NATIONAL BANK	
50-930	YONKERS N. Y. 50-930

HUDSON VALLEY NATIONAL BANK 35 EAST GRASSY SPRING ROAD YONKERS, NEW YORK 10710				PRECISION VALVE CORPORATION POST OFFICE BOX 309, YONKERS, N. Y., 10702		50-930 213	
VENDOR	CHECK NO.	DATE	VOUCHER NUMBER	AMOUNT			
33/54	45189	11/27/72	1172717	\$225,000.00			
EXACTLY				NOV 27 42 930			
PAY TO THE ORDER OF				EXACTLY \$225,000 AND 00 CTS			
Florida National Bank Miami Florida Credit account Key Biscayne Bank Key Biscayne Florida Charles G. Rebozo				50-930 YONKERS N. Y. 50-930 AUTHORIZED SIGNATURE (S)			

⑈045189⑈ ⑆0213⑆0930⑆ ⑆01⑆00060⑆801⑈

⑈0022500000⑈

VENDOR COPY

POST OFFICE BOX 304 • CORNELIUS, N.C.

DATE	INVOICE OR REFERENCE	AMOUNT	DATE	INVOICE OR REFERENCE	AMOUNT	DATE	INVOICE OR REFERENCE	AMOUNT
		225,000.00						

CHECK NUMBER	CHECK DATE	VOUCHER NO.	GROSS AMOUNT	DISCOUNT	NET AMOUNT
45189	11/27/72	1172717	225,000.00		225,000.00

DETACH THIS CHECK BEFORE DEPOSITING

PRECISION VALVE CORPORATION
 95 EAST GRASSY SPRAIN ROAD
 TONKERS, NEW YORK 10970

PAY TO THE ORDER OF

EXACTLY **225,000 AND 00 CTS**

Florida National Bank
 Miami Florida
 Credit account Key Biscayne Bank
 Key Biscayne Florida
 Charles G. Rebozo

AMOUNT \$225,000.00

AUTHORIZED SIGNATURE

⑈045189⑈ ⑆0213-0930⑆ ⑆01-00060-801⑈

FOR DIRECT TEL. TRF. Fed Funds
 Florida National Bank Miami Fla
 Cr. a/o Key Biscayne Bank
 Key Biscayne Florida
 FOR CR TO a/o CHARLES G. REBOZO
 PRECISION VALVE CORPORATION

Wade Allen & Treas

RB & Co
 to PK

on 11/28-78/72

GRIFFIN EXHIBIT No. 13

CALIFORNIA PROPERTY

October 22, 1970

GENERAL ITEMS TO BE CONSIDERED

1. Assume that all transactions take place as of November 15, 1970.
2. Assume a basic return of 8% for all parties on investments made. Mortgages are at $7\frac{1}{2}\%$ but other obligations are at 8%.
3. "B" investment, as of November 15, 1970, including accrued interest at 8% is \$677,600.

7/15/69	\$ 450,000.
Int. 7/15/69-7/15/70	36,000.
7/15/70	175,000
Int. 7/15/70-11/15/70	<u>16,600.</u>
	<u>\$ 677,600.</u>
4. Get tax opinions on all phases of the transaction.
5. No formal documents at all should be entered into between "A", "B" and "C" at this time regarding the 24 remaining acres. There could be an oral understanding between the partnership ("B" and "C") and "A" but that is as far as I think we should go. At some future time specific agreements could be entered into.
6. To provide that "A" must have final approval before anything can be done with the balance of the acreage seems too restrictive and this I think should be avoided.

7. All figures proposed in this outline are for example only. In all areas they may be adjusted, such as:

1. "A's" initial contribution of \$42,500, this in turn would affect "A's" mortgage amount.

2. "C's" contribution to "B" on 11/15/70. This in turn would affect the amount of mortgage assumption.

3. Amount of principal paid by "A" at each mortgage payment date.

4. Amount of principal paid by "B" and/or "C" at each mortgage date.

October 22, 1970

STEP I

To preserve the present trust instrument, thus avoiding the recording of any documents which could create unwanted publicity and on the further ground that the present holders of the note will not pro-rate said note over two or more separate parcels, "A" would sell his entire interest to "B" and "C". In effect "B" and "C" would succeed to the beneficial interest in "A's" trust. This transaction would be done at "A's" cost as of November 15, 1970 (cost being defined as "A's" original base plus any and all amounts expended, as apportioned, for improvements, taxes, carrying charges, interest expense, etc. from the date of purchase to disposition date). For the purposes of this memorandum I have assumed that \$1,650,000 would be the adjusted cost of the entire interest presently held by "A". (This adjusted cost would include the adjustments that would be made as of November 15, 1970 for interest on the obligations, etc.).

The acquisition would be paid for in the following manner:

1. "B" and "C" would assume the present mortgages on the property which presently amount to \$964,000.
2. "B" would cancel the present obligations existing between "B" and "A" together with the accrued interest which amounts to, as of November 15, 1970, \$677,600; and

3. A cash payment from "B" and "C" to "A" in the amount of \$8,400.

1.	\$ 964,000
2.	677,600
3.	8,400
	<u>\$ 1,650,000</u>

"A" would be responsible for taxes and other expenses through November 15, 1970.

QUESTIONS:

1. What are the tax consequences for "A" since there in effect would be a repurchase of a portion of this property? Would there be any recognition of gain or loss to "A" on the sale and repurchase as outlined below?

2. What is "A's" actual adjusted cost as of November 15, 1970?

3. Is there a deferment of gain or loss under the like kind rule on the repurchase?

4. Has "A" taken a deduction on his tax return the amount of interest presently owed to "B"?

5. If "A's" note to "B", plus accrued interest, is included as being part of the purchase price does "B" have constructive receipt of the interest and thus would he be taxed on ordinary income?

STEP II

On November 15, 1970 there would be immediate resale of a portion of the property from "B" and "C" to "A". This land sale would cover the present residence, four or five acres of ground surrounding the residence, a portion of the shoreline and an easement over the balance of the beach property. The price for this would be \$340,000 (as per appraisal) plus or minus any adjustments that may be made at the time of the transaction. The purchase of this property would be paid for as follows:

(i) Cash of \$50,000 from "A" to "B" and "C";

(ii) Mortgage in the amount of \$290,000, plus or minus adjustments which would conform in principle to the terms of the overriding first mortgages on the premises and have the same interest rates. Thus "A" would on the various mortgage dates presently in existence make the payments to "B" and "C" which are indicated on the outline attached.

Of course, the amount of payments, and the amount of downpayment may be adjusted to suit the needs of "A". Both "B" and "C" will conform their documents and the payments to those desired by "A" and those which fit into "A's" present planning.

On July 15, 1974 several options are open to avoid the balloon payment, for example, refinancing, sale, extension, etc.

In addition to the above, an agreement would be worked out concerning apportionments. In effect "A" would be liable for his share of taxes, insurance, utilities, etc. and "B" and "C" would be liable for the total costs of maintaining the remaining property. Further, "B" and "C" would be directly liable for the mortgage obligations of \$964,000 plus interest.

STEP III

On November 15, 1970 "B" and "C" would enter into a partnership agreement. This agreement would provide for all contingencies including ownership, division of obligations, buy-out, buy-sell, pay-out of mortgages, etc. This agreement would be a personal one between "B" and "C" and it would carry out the steps above enumerated.

QUESTION:

(1) Does partnership acquisition satisfy tax statute for deferment of tax where one individual of the partnership has had an involuntary conversion of some other property.

As can be seen from the steps taken, there would be in the hands of "B" and "C" a 24-acre piece of land at a cost of \$1,310,000, composed of the following:

(a) Mortgage net (964-290)	674,000
(b) "B's" contribution of loan plus accrued interest	677,600
(c) Cash from "A" to "B" and "C" net (\$50,000 minus 8,400)	<u>(41,600)</u>
TOTAL	1,310,000

It is assumed that "B" and "C" will be equal partners each assuming 50% of the ownership and 50% of the liability. Thus, if the cash of \$41,600 were given to "B" on November 15, 1970 there would be the net mortgage obligation of \$674,000 and "B's" contribution of \$636,000. "B" and "C" each would be responsible for \$337,000 of the mortgage and "C" would repay "B" the sum of \$318,000. This sum could be repaid by a cash contribution on November 15, 1970 in an amount to be determined and the balance thereof be taken on as an assumption of "B's" mortgage obligation. For example, if "C" were to pay "B" \$100,000 on November 15, 1970 then "B's" and "C's" obligation under the mortgage would be as follows:

"B"	\$ 119,000
"C"	555,000
	<u>\$ 674,000</u>

Of course, based upon what cash would be forthcoming, these figures would be adjusted accordingly.

(1)

July 15, 1971

2nd Payment Large Mortgage

Party	Item	Interest	Principal	Total
"A"	Interest on \$900,000 from 7/15/70-11/15/70	\$ 22,500	---	\$ 22,500
"A"	Principal and interest on \$270,000 (290,000 less 20,000 applied to smaller mortgage) 30% factor	13,500	\$ 30,000	43,500
"B"	Principal and interest on \$100,000 (119,000 less 19,000 applied to smaller mortgage) 11% factor	5,000	11,000	16,000
"C"	Principal and interest on \$530,000 (555,000 less 25,000 applied to smaller mortgage) 59% factor	26,500	59,000	85,500
TOTAL		<u>\$ 67,500</u>	<u>\$100,000</u>	<u>\$167,500</u>

(2)

October 15, 1971

2nd Payment Smaller Note

<u>Party</u>	<u>Item</u>	<u>Interest</u>	<u>Principal</u>	<u>Total</u>
"A"	Interest on 64,000 from 10/15/70 to 11/15/70	\$ 400.	----	\$ 400.
"A"	Interest and principal on \$20,000 (30% factor)	1,375	\$ 4,800	6,175
"B"	Interest and principal on \$19,000 (30% factor)	1,305	4,800	6,105
"C"	Interest and principal on \$25,000 (40% factor)	<u>1,720</u>	<u>6,400</u>	<u>8,120</u>
TOTAL		<u>\$4,800</u>	<u>\$16,000</u>	<u>\$20,800</u>

(3)

July 15, 1972

3rd Payment Large Mortgage

<u>Party</u>	<u>Item</u>	<u>Interest</u>	<u>Principal</u>	<u>Total</u>
"A"	Principal and interest on \$240,000	\$ 18,000	\$ 30,000	\$ 48,000
"B"	Principal and interest on \$89,000	6,675	11,000	17,675
"C"	Principal and interest on \$471,000	35,325	59,000	94,325
TOTAL		<u>\$ 60,000</u>	<u>\$100,000</u>	<u>\$160,000</u>

160,000

B & C }
A }

103,568

56,432

(4)

October 15, 1972

3rd Payment Small Mortgage

<u>Party</u>	<u>Item</u>	<u>Interest</u>	<u>Principal</u>	<u>Total</u>
"A"	Interest and principal on \$15,200	\$ 1,140	\$ 4,800	\$ 5,940
"B"	Interest and principal on \$14,200	1,065	4,800	5,865
"C"	Interest and principal on \$18,600	1,395	6,400	7,795
TOTAL		<u>\$ 3,600</u>	<u>\$16,000</u>	<u>\$19,600</u>

(5)

July 15, 1973

4th Payment Large Mortgage

<u>Party</u>	<u>Item</u>	<u>Interest</u>	<u>Principal</u>	<u>Total</u>
"A"	Principal and interest on \$210,000	\$ 15,750	\$ 30,000	\$45,750
"B"	Principal and interest on \$78,000	5,850	11,000	16,850
"C"	Principal and Interest on \$412,000	30,900	59,000	89,900
TOTAL		<u>\$ 52,500</u>	<u>\$100,000</u>	<u>\$152,500</u>

(6)

October 15, 1973

4th Payment Small Mortgage

<u>Party</u>	<u>Item</u>	<u>Interest</u>	<u>Principal</u>	<u>Total</u>
"A"	Interest and principal on \$10,400	\$ 780	\$ 4,800	\$ 5,580
"B"	Interest and principal on \$9,400	705	4,800	5,505
"C"	Interest and principal on \$12,200	915	6,400	7,315
TOTAL		\$ 2,400	\$ 16,000	\$ 18,400

(7)

July 15, 1974

Last Payment Large Mortgage

<u>Party</u>	<u>Item</u>	<u>Interest</u>	<u>Principal</u>	<u>Total</u>
"A"	Principal and interest on \$180,000	\$ 13,500*	\$ 180,000	\$ 193,500
"B"	Principal and interest on \$67,000	5,025*	67,000	72,025
"C"	Principal and interest on \$353,000	26,475*	353,000	379,475
TOTAL		<u>\$ 45,000</u>	<u>\$ 600,000</u>	<u>\$ 645,000</u>

*NOTE: Balloon may be taken care of with several alternatives.

10818

(8)

October 15, 1974

Last Payment Small Mortgage

<u>Party</u>	<u>Item</u>	<u>Interest</u>	<u>Principal</u>	<u>Total</u>
"A"	Interest and principal on \$5,600	\$ 420	\$ 5,600	\$ 6,020
"B"	Interest and principal on \$4,600	345	4,600	4,945
"C"	Interest and principal on \$5,800	435	5,800	6,235
TOTAL		<u>\$1,200</u>	<u>\$16,000</u>	<u>\$17,200</u>

GRIFFIN EXHIBIT No. 14

Total Amount of Funds Given to the
B. & C. Investment Company by Charles G. Rebozo
for the Period January 1, 1973 through August 15, 1973

<u>Date</u>	<u>Amount</u>
January 8, 1973	\$17,829.00
March 28, 1973	4,000.00
May 15, 1973	<u>5,280.41</u>
Total for 1973	<u>\$27,109.41</u>

GRIFFIN EXHIBIT No. 15

Total Amount of Funds Given to the
B. & C. Investment Company by Charles G. Rebozo
for the Period January 1, 1971 through December 31, 1972

<u>Date</u>	<u>Amount</u>	
January 1, 1971	\$25,000.00	
July 7, 1971	86,250.00	
December 7, 1971	<u>12,946.00</u>	
		\$124,196.00
March 29, 1972	\$ 7,554.00	
July 19, 1972	50,000.00	
September 19, 1972	<u>54,293.40</u>	
		<u>111,847.40</u>
Total for 1971-1972		<u>\$236,043.40</u>

GRIFFIN EXHIBIT No. 18

PARTNERSHIP AGREEMENTOFB. & C. INVESTMENT COMPANY

THIS PARTNERSHIP AGREEMENT is executed by the undersigned, ROBERT H. ABPLANALP and C. G. REBOZO, as General Partners on December 15, 1970 at New York, New York. The partners desire to form a general partnership for the sole purpose of acquiring, as an investment, all of the beneficial interest in and to the real property described in Exhibit "A" attached hereto (hereinafter sometimes referred to as the "Investment"). The partners intend that this partnership shall be limited to the foregoing and such ancillary activities as may be necessary or desirable to effectuate such purpose.

The partners therefore mutually agree as follows:

I

FORMATION OF GENERAL PARTNERSHIP

The partners hereby form a general partnership pursuant to the provisions of the Partnership Law of the State of New York as set forth in McKenney's Consolidated Laws of New York, Book 38, "Partnership Law".

II

PURPOSES OF THE PARTNERSHIP

The express, limited and only purposes for which

this partnership is to exist, unless otherwise mutually agreed by the partners, are to engage in the business of acquiring and holding as an investment, the Investment.

In view of the exclusive purposes of the partnership, the partners shall not have any fiduciary obligations with respect to the partnership or to each other insofar as making other investment opportunities available to the partnership or to the other partners. The fiduciary obligations of the partners shall therefore be limited to those arising from the actual acquisition and holding of the Investment.

III

NAME AND PLACE OF BUSINESS

This partnership shall be known as and shall operate under the name of B. & C. INVESTMENT COMPANY (hereinafter referred to as the "partnership").

The principal place of business of the partnership shall be 30 South Broadway, Yonkers, New York, 10703, or such other place or places of business as may be designated by the partners from time to time. A Statement of Partnership shall be executed, acknowledged and recorded, as provided by California law if necessary in connection with further disposition, development or sale of the Investment or a portion thereof.

IV

TERM

The term of this partnership shall commence as

of the date hereof and shall exist until December 15, 1990, unless sooner terminated as provided herein.

V

CAPITAL CONTRIBUTIONS

The total initial capital contribution of each of the partners to the partnership shall be the sum of Six Hundred Twenty-Five Thousand Dollars (\$625,000.00), which shall be contributed in the following manner:

(a) ROBERT H. ABPLANALP does hereby assign and transfer to the partnership those certain promissory notes payable to his order dated July 15, 1969 and July 15, 1970 in the principal sums of \$450,000.00 and \$175,000.00, respectively, executed by Richard M. Nixon and Patricia Nixon, husband and wife. The partnership does hereby acknowledge receipt, transfer and endorsement of said notes to the partnership by Robert H. Abplanalp.

(b) C. G. REBOZO does herewith make, execute and deliver to the partnership, payable to the partnership, his personal, unsecured promissory note in the principal sum of \$600,000.00, payable on or before July 15, 1974 and bearing interest at the rate of 7 1/2 percent per annum; together with the sum of \$25,000.00 in cash; receipt of the note and the cash is hereby acknowledged by the partnership.

(c) The partners acknowledge that the note referred to in subparagraph (b) hereinabove shall be payable at the times and concurrently with payments which this partnership may become obligated to pay in connection

with a prorata portion of the existing encumbrances which constitute a lien against the beneficial interest in the real property which constitutes the Investment being acquired by this partnership. It is the spirit, purpose and intent of this provision to provide that payments on the capital contribution note of C. G. REBOZO shall be made to the partnership for the purpose of providing the partnership with funds with which to discharge such existing encumbrances against the Investment.

(d) The partners shall have the right, from time to time, to loan or advance sums to the partnership and in such event shall be entitled to repayment of said sums as in the case of any creditor of the partnership.

VI

PROFITS AND LOSSES

The net profits of the partnership shall be credited to the partners equally and the net losses, if any, shall be charged to the partners equally. The partners shall have equal and mutual interest in the partnership and its equities.

VII

CAPITAL ACCOUNTS AND DRAWING ACCOUNTS

(a) An individual capital account shall be maintained for each partner. The capital of each partner shall consist of his original contributions, increased by: (1) any additional capital contributions made, and (2) his proportionate share of partnership profits transferred to capital, and decreased by: (1) distributions in

reduction of partnership capital, and (2) his proportionate share of partnership losses, if charged to capital.

(b) An individual drawing account shall be maintained for each partner. Each partner's share of the partnership profits shall be credited to his drawing account. Each partner's share of partnership losses and each partner's withdrawals shall be charged to his drawing account. A credit balance in a partner's drawing account shall constitute a liability of the partnership to that partner; it shall not constitute a part of the partner's capital or of his interest in the capital of the partnership. A debit balance in a partner's drawing account, occasioned by drawings in excess of his share of partnership profits, shall constitute an obligation of that partner to the partnership and shall not reduce his capital account or his interest in the capital of the partnership.

(c) Anything to the contrary hereinabove in this article, or in this agreement, notwithstanding, in the event of a sale, trade or exchange of the Investment, or any of the property of the partnership, the partners shall be entitled to recoup the full amount of their invested capital, together with any additional capital contributions made by either of them, prior to the prorata distribution of the proceeds, gains or profits on such sale, trade or exchange in the proportions of their interests in profits and losses.

VIII

SALE OR ASSIGNMENT OF PARTNERSHIP INTERESTS

(a) The partners may not sell, transfer, hypothecate or pledge their respective interests as partners in this partnership to any other person, without having first received the written approval thereof by the other partner.

(b) New or additional partners may be admitted to this partnership, from time to time, upon the express written consent of each of the existing partners.

IX

ACCOUNTING PROCEDURES

(a) The partnership books of account shall be kept in accordance with generally accepted accounting principles. The books shall be kept at the principal place of business of the partnership, or such other place as the partners shall agree. With respect to the financial affairs of the partnership, the following provisions shall apply:

(1) The cash basis of accounting shall be employed;

(2) The fiscal year shall be the calendar year;

(3) Balance sheets and statement of income and expenses shall be rendered at least annually;

(4) Each of the partners shall be supplied copies of the partnership Federal income tax information returns.

(b) Each of the partners shall have the right

to examine all accounting records, reports and other documents of the partnership at all reasonable times, by agent, attorney, accountant or other representatives.

X

DUTIES, RIGHTS, AND COMPENSATION OF THE PARTNERS

(a) Subject to the limitations hereinafter set forth, all operations of and decisions concerning the business of the partnership shall be made by the partners acting jointly and mutually.

(b) The partners shall not commit any of the following acts:

(1) Do any act in contravention of the partnership agreement;

(2) Do any act which would make it impossible to carry on the ordinary business of the partnership;

(3) Confess a judgment against the partnership;

(4) Make any agreement to dispose of all or any portion of the investment without the prior written approval of the other partners.

(c) The partners shall not be required to devote full time to the partnership but only such time as is reasonably required to conduct the affairs of the partnership. In this respect, partners may employ on behalf of the partnership such persons, firms or corporations as in their discretion and judgment they deem advisable for the proper operation of the business of the partnership, including, without limitation, legal counsel, auditors,

consultants and management services.

(d) Neither partner shall receive any salary manager's fee or other compensation unless otherwise specifically provided herein or mutually agreed between the partners.

(e) The partners shall not be authorized to bind the partnership or to execute any instruments and other documents, including those for the borrowing of funds and pledging or hypothecating assets of this partnership and conveying of its assets, except on the joint signatures of the partners.

XI

BANKRUPTCY OR DEFAULT OF PARTNER

In the event that any partner shall (i) make an assignment, general or special, for the benefit of his creditors, or (ii) file any petition for any relief under the bankruptcy laws of the United States, or for any other law of the United States or any state for the relief of debtors, or (iii) should the Investment, or any portion thereof, or any interest therein, or any interest in the partnership be levied upon or otherwise be subject to claims of the creditors of the partners or come in the possession of a receiver appointed for the partner (except in an action to enforce a properly authorized obligation of the partnership) and should the same not be dismissed within ninety (90) days, or (iv) should control of the affairs of either partner in any manner come under the jurisdiction of any court in any

insolvency proceeding or action in bankruptcy, arrangement for the benefit of creditors, receivership or other judicial or governmental action with respect to debtor relief and not be dismissed within ninety (90) days, or (v) should either partner breach any of his obligations hereunder, and in the further event that such breach in obligations is not cured after thirty (30) days' prior written notice from the other partner, such events shall be deemed to be events of default hereunder. In the event of default, the non-defaulting partner may, at his sole and absolute option, take either of the following actions:

(a) Dissolve the partnership and wind up its affairs, in which case the creditors of the partnership shall be paid and the assets of the partnership shall be distributed to the partners pursuant to this paragraph and Article XIV hereinafter. The defaulting partner shall execute, or cause its legal representative to execute, all documents necessary to effect dissolution and winding up, and shall have only the right to receive, upon a final winding up of the affairs of the partnership, the distributive share to which he would have been entitled on a winding up had such event not occurred, less all damages resulting from a breach, and the costs, expenses and losses incurred and resulting from the winding up of the affairs of the partnership; or

(b) The non-defaulting partner shall have the right to continue the business of the partnership for an indefinite length of time under its present name by

himself or in conjunction with such other person or persons as he may select, but the non-defaulting partner shall account to the defaulting partner for the value of his interest in the partnership as provided herein with payment of such computed sums to be paid to the defaulting partner in the form of a non-interest bearing unsecured note of this partnership, payable in ten (10) equal annual installments commencing one (1) year from the event of default. The sole interest of such defaulting partner shall be the sum of the lower of his capital account or proportionate share (using share in profits and losses to form the ratios) of the market value of the Investment as of the date of dissolution and his income (loss) at the time of dissolution shall be added to (subtracted from) his capital account.

XII

DEATH OR DISABILITY OF PARTNERS

In the event of the death or adjudicated incompetency of a partner, the remaining partner shall terminate and liquidate the partnership business, unless he elects to purchase the interest of the deceased or incompetent partner pursuant to Article XIII hereof. In the event of such election to purchase, notice in writing of such election shall be given within ninety (90) days after the death or adjudication of incompetency to the personal representative of the decedent or incompetent.

If no such election is made, the partnership shall be dissolved with reasonable promptness. The

procedure as to liquidation and distribution of the assets of the partnership shall be as set forth in Article XIV hereof.

XIII

PURCHASE PRICE OF INTEREST

In the event of the election to purchase the interest of a deceased or incompetent partner, pursuant to Article XII hereof, the purchase price of such interest in the partnership shall be determined by appraisal of the partnership assets and liabilities as of the date of the death or adjudication of incompetency of such partner. Such date shall be deemed the "date of purchase" and of passing of title. In making the appraisal, there shall be taken into account all assets and liabilities of the partnership and the assets shall be valued at the fair market value thereof at the date of purchase. The extent of the interest to be sold shall be determined by giving consideration to the extent of all capital accounts and the respective partners' proportionate shares of partnership net income or net losses realized to the date of purchase.

The appraisal shall be made by an appraiser selected by agreement of the purchasing partner and the personal representative of the deceased or incompetent partner. If no agreement can be made, the appraisal shall be made by three arbitrators, one selected by the purchasing partner, one by the personal representative of the partner whose interest is to be purchased, and the

two so selected shall name the third. The arbitrators shall be governed by the rules then in effect of the American Arbitration Association.

The purchase price shall be paid in three (3) equal annual installments, beginning two (2) months after the appraisal is made. Interest at six percent (6%) per annum shall be paid on the unpaid balance of the purchase price, beginning as of the date of purchase.

XIV

DISTRIBUTION ON TERMINATION

Upon termination of the partnership business by agreement of the partners, by expiration of the term thereof, or for any other reason, the partnership's liabilities and obligations to creditors shall be paid or otherwise adequately provided for, and its assets or the proceeds of sale thereof shall then be distributed in the following order:

- (a) To each partner, any amount credited to his drawing account which has not been distributed.
- (b) To each partner, the credit balance in his capital account.

The profits and losses of the partnership, if any, during the period of liquidation shall be credited or charged to the partners in the proportions set forth in Article VI hereof.

XV

GAIN OR LOSS ON SALE

Any gain or loss in disposition of partnership properties in the process of liquidation shall be credited or charged to the partners in the proportions of their interests in profits and losses. Any property distributed in kind in the liquidation shall be valued and treated as though the property were sold and the cash proceeds were distributed. The difference between the value of property distributed in kind and its book value shall be treated as a gain or loss on sale of the property and shall be credited or charged to the partners in the proportions of their interest in profits or losses.

XVI

DISSOLUTION

This partnership may be dissolved prior to the term specified in Article IV upon the mutual agreement of the partners, or for any reason authorizing a dissolution pursuant to the Partnership Law of the State of New York.

XVII

PARTNERSHIP FUNDS

The partnership shall maintain bank accounts at such banks as the partners shall determine. All funds of the partnership shall be deposited in the partnership name and shall be subject to payment by check upon the signature of either partner.

XVIII

FURTHER INSTRUMENTS

The partners agree to execute any instruments and to perform any further acts which are or may become necessary to effectuate and carry out the partnership created by this agreement.

XIX

NOTICES

All notices required under this agreement shall be delivered in person or may be mailed by certified or registered mail, return receipt requested, postage prepaid, addressed to the partners at such addresses as are set forth opposite their respective signatures to this agreement, or such other address as may be given by any partner. All notices shall be deemed delivered 48 hours after deposit in the United States mail as herein provided.

XX

CONSTRUCTION

Captions of the articles set forth in this agreement are for convenience only and shall not be considered or referred to in resolving questions or interpretation or construction. The language in all parts of this agreement shall be in all cases construed as a whole and according to its fair meaning, and not strictly for or against any of the partners.

XXI

ATTORNEYS' FEES AND COSTS

If the partnership or either partner on behalf of the partnership is a party to an action to enforce any of the terms of this agreement or of any other contracts relating to the partnership affairs or this agreement, the partnership or such partner, if it or he prevails, shall be entitled to recover its or his costs, including reasonable attorneys' fees, incurred in prosecuting or defending the action.

XXII

AMENDMENT

This agreement is subject to amendment only upon the mutual consent of both of the partners.

IN WITNESS WHEREOF, the partners have hereunto affixed their respective hands as of the day, month and year first above written.



ROBERT H. ABPLANALP
c/o William Griffin, Esq.
30 66 South Broadway
Yonkers, New York 10701

Address for purpose
of notice hereunder:



C. G. REBOZO
Key Biscayne Bank
Key Biscayne, Florida 33149

Address for purpose
of notice hereunder:

EXHIBIT "A" TO PARTNERSHIP AGREEMENT
OF
B. & C. INVESTMENT COMPANY

December 15, 1970

All right, title and beneficial interest in and to certain real property in the County of Orange, State of California, more particularly described in a certain Declaration of Trust, number PR-17327, on file at Title Insurance and Trust Company, 433 South Spring Street, Los Angeles, California, dated April 25, 1970, EXCEPTING THEREFROM, however, all right, title and beneficial interest in to that portion of said property heretofore sequestered and reserved by the present beneficiaries of said trust as and for a homesite, which sequestered portion is described by metes and bounds as follows:

EXHIBIT "A" TO PARTNERSHIP AGREEMENT
OF
B. & C. INVESTMENT COMPANY

December 15, 1970

All right, title and beneficial interest in and to the following described portion only of that certain real property in the County of Orange, State of California, which is the subject matter of and is more particularly described in a certain Declaration of Trust, No. PR-17327, on file at Title Insurance and Trust Company, 433 South Spring Street, Los Angeles, California, dated April 25, 1970, the remaining portion of the property described in said Declaration of Trust having been heretofore sequestered and reserved by the present beneficiaries of said trust as and for a homesite; said portion which is the Subject Matter of this agreement being described as follows:

Parcel 1 (Remaining Property Easterly of Railway Right-of-Way)

That portion of Section 15, Township 9 South, Range 7 West, San Bernardino Meridian, in the City of San Clemente, County of Orange, State of California, according to the official plat of said land, described as follows:

Beginning at the most Easterly corner of Lot "B", Tract No. 4202, as shown on a map thereof recorded in Book 152, Pages 34 to 38 inclusive of Miscellaneous Maps, records of said County of Orange; thence along the Southeasterly boundary of said Tract No. 4202 the following courses: South $48^{\circ} 06' 00''$ West, 147.93 feet, Southwesterly 85.80 feet along a curve, concave Southeasterly, having a radius of 480.00 feet and a central angle of $100^{\circ} 14' 30''$, South $37^{\circ} 51' 30''$ West, 110.38 feet, South $37^{\circ} 10' 30''$ West, 405.51 feet, South $35^{\circ} 53' 30''$ West, 172.45 feet to the beginning of a curve thereon, having a radius of 90.00 feet and a length of 78.05 feet; thence leaving said Southeasterly boundary of Tract No. 4202, South $63^{\circ} 21' 50''$ East, 32.23 feet; thence North $68^{\circ} 21' 50''$ East, 117.88 feet; thence South $77^{\circ} 42' 00''$ East, 158.25 feet; thence North $45^{\circ} 09' 00''$ East, 84.62 feet; thence South $44^{\circ} 51' 00''$ East, 47.48 feet to the beginning of a tangent curve, concave Southwesterly and having a radius of 25.00 feet; thence in a Southerly direction along the arc of the above mentioned curve, through a central angle of $55^{\circ} 48' 40''$, a distance of 25.33 feet; thence South $10^{\circ} 57' 40''$ West, 56.00 feet to the beginning of a tangent curve, concave Easterly and having a radius of 1143.00 feet; thence in a Southerly direction along the arc of the above mentioned curve, through a central angle of $19^{\circ} 12' 00''$, a distance of 383.02 feet; thence South $87^{\circ} 47' 10''$ West, 315.41 feet; thence South $67^{\circ} 19' 19''$ West, 41.23 feet to a point on the Easterly right-of-way line of the Atchison, Topeka and Santa Fe Railway Company, as described in a deed dated November 15, 1886, and recorded in Book 137, Page 18 of Deeds, records of Los Angeles County, California, said Easterly right-of-way line being a curve, concave Northeasterly and having a radius of 2814.93 feet, a radial line to the center of said curve bears North $67^{\circ} 19' 19''$ East; thence in a Southeasterly direction along the arc of the above mentioned curve, through a central angle of $0^{\circ} 37' 19''$, a distance of 30.55 feet; thence continuing along said Easterly right-of-way line, North $23^{\circ} 18' 00''$ West, 156.29 feet to an intersection with the Easterly right-of-way line of the Atchison, Topeka and Santa Fe Railway Company, as described in a deed recorded May 19, 1938, in Book 940, Page 321 of Official Records of said County of Orange, said point of intersection being a point on a non-tangent curve, concave Northeasterly and having a radius of 2814.93 feet, a radial line to the center of said curve bears North $64^{\circ} 02' 03''$ East; thence continuing along said Easterly right-of-way line and said curve, through a central angle of $7^{\circ} 16' 28''$, a distance of 357.39 feet; thence North $56^{\circ} 45' 35''$ East, 50.00 feet to the beginning of a non-tangent curve, concave Northeasterly and having a radius of 2764.93 feet, a radial line to the center of said curve bears North $56^{\circ} 45' 35''$ East; thence in a Southeasterly direction along the arc of the above mentioned curve, through a central angle of $5^{\circ} 03' 58''$, a distance of 244.48 feet to an intersection with the boundary line between Orange and San Diego Counties; thence leaving said Easterly Railway right-of-way line and following said County boundary line, North $12^{\circ} 26' 22''$ East, 1831.94 feet to the most Northeasterly corner of that certain parcel of land conveyed by deed recorded October 13, 1969, in Book 9104, Page 922 of Official Records of said Orange County; thence leaving said County boundary and following the Northerly boundary of said property conveyed by deed recorded October 13, 1969, North $77^{\circ} 33' 38''$ West, 257.06 feet; thence South $76^{\circ} 46' 05''$ West, 20.00 feet to the point of beginning.

The above described parcel of land contains 16.356 Acres.

Parcel 2 (Meridian)

That portion of Section 15, Township 9 South, Range 7 West, San Bernardino Meridian, in the City of San Clemente, County of Orange, State of California, according to the official plat of said land, described as follows:

Commencing at the most Easterly corner of that certain property described as Parcel II in a deed to Capri Builders Inc., recorded July 7, 1961, in Book 5776, Page 642 of Official Records of said County of Orange, said most Easterly corner also being a point on the Westerly right-of-way line of the Atchison, Topoka and Santa Fe Railway Company, as described in a deed dated November 15, 1885, and recorded in Book 187, Page 18 of Deeds, records of Los Angeles County, California; thence from said point of commencement along said Westerly right-of-way line South $18^{\circ} 22' 00''$ East, 379.91 feet to the beginning of a tangent curve thereon, concave Northeasterly and having a radius of 2914.93 feet; thence Southeasterly along the arc of the above mentioned curve, through a central angle of $1^{\circ} 18' 41''$, a distance of 219.34 feet to the true point of beginning of this description; thence from said true point of beginning, continuing Southeasterly along said Westerly Railway right-of-way line and said curve, through a central angle of $0^{\circ} 37' 19''$, a distance of 31.64 feet; thence South $23^{\circ} 18' 00''$ East, 648.31 feet to the beginning of a tangent curve, concave Northeasterly and having a radius of 1323.57 feet; thence in a Southeasterly direction along the arc of the above mentioned curve, through a central angle of $16^{\circ} 04' 07''$, a distance of 371.20 feet to an intersection with the boundary line between Orange and San Diego Counties; thence leaving said Westerly Railway right-of-way line and following said County boundary line, South $12^{\circ} 25' 22''$ West, 395 feet, more or less, to the line of ordinary high tide of the Pacific Ocean; thence leaving said County boundary line and following Northerly along said line of ordinary high tide to a point which bears South $67^{\circ} 19' 19''$ West from the said true point of beginning of this description; thence North $67^{\circ} 19' 19''$ East, 135 feet, more or less, to the true point of beginning.

The above described parcel of land contains 6 Acres, more or less.

Parcel 3 (Streets & Rights-of-Way within Tract No. 4202)

That portion of Tract No. 4202 in the City of San Clemente, County of Orange, State of California, as per map recorded in Book 152, Pages 34 to 38 inclusive of Miscellaneous Maps, in the office of the County Recorder of said County, described as follows:

Beginning at the Northeasterly terminus of that certain course described as North $49^{\circ} 04' 05''$ East, 29.95 feet in Parcel I of the deed to Capri Builders Inc., recorded July 7, 1961, in Book 5776, Page 642 of Official Records; thence along the boundary of said Parcel I, the following courses: South $17^{\circ} 20' 00''$ East, 58.55 feet, Southeasterly 72.14 feet along a curve, concave Northeasterly and having a radius of 86.00 feet and a central angle of $18^{\circ} 03' 40''$, South $65^{\circ} 23' 40''$ East, 72.14 feet, Southeasterly, 92.32 feet along a curve, concave Southwesterly having a radius of 510.00 feet and a central angle of $10^{\circ} 22' 20''$, South $55^{\circ} 01' 20''$ East, 174.48 feet, Southeasterly 553.41 feet along a curve, concave Southwesterly having a radius of 760.00 feet and a central angle of $41^{\circ} 43' 15''$, South $48^{\circ} 06' 00''$ West, 113.23 feet, Southwesterly 89.38 feet along a curve, concave Southeasterly having a radius of 500.00 feet and a central angle of $19^{\circ} 11' 30''$, South $37^{\circ} 51' 30''$ West, 110.50 feet, South $37^{\circ} 10' 30''$ West, 255.00 feet and South $52^{\circ} 49' 30''$ East, 20.03 feet to the Southeasterly boundary of said Tract No. 4202; thence along the boundary of said Tract, the following courses: North $37^{\circ} 10' 30''$ East, 254.68 feet, North $37^{\circ} 51' 30''$ East, 110.38 feet, Northeasterly 85.80 feet along a curve, concave Southeasterly having a radius of 480.00 feet and a central angle of $10^{\circ} 14' 30''$, North $48^{\circ} 06' 00''$ East, 147.93 feet, Northeasterly 583.50 feet along a non-tangent curve, concave Southwesterly having a radius of 800.00 feet and a central angle of $41^{\circ} 47' 25''$, North $55^{\circ} 01' 20''$ West, 174.48 feet, Northwesterly 99.57 feet along a curve, concave Southwesterly having a radius of 550.00 feet and a central angle of $10^{\circ} 22' 20''$, North $65^{\circ} 23' 40''$ West, 72.14 feet, Northwesterly and Northeasterly 102.92 feet along a curve, concave Easterly having a radius of 46.00 feet and a central angle of $12^{\circ} 11' 30''$, North $62^{\circ} 47' 50''$ East, 866.40 feet, North $27^{\circ} 12' 10''$ West, 30.00 feet, South $62^{\circ} 47' 50''$ West, 926.47 feet and South $49^{\circ} 04' 05''$ West, 15.05 feet to the point of beginning.

The above described parcel of land contains 1.844 Acres.

PROMISSORY NOTE

\$600,000.00

Key Biscayne, Florida

December 15, 1970

FOR VALUE RECEIVED, the undersigned hereby promises to pay to the order of B & C INVESTMENT COMPANY, a co-partnership, the principal sum of Six Hundred Thousand Dollars (\$600,000.00) with interest from date on unpaid principal at the rate of seven and one-half percent (7-1/2%) per annum, interest payable with principal payments, and in addition to principal payments; said payments of principal and interest shall be made in installments commencing July 15, 1971, and thereafter at the place, times, and in the amounts required to be paid by the maker of each of those certain promissory notes, dated July 10, 1969, and September 11, 1969, attached hereto as Exhibits 1 and 2, respectively, which promissory notes are hereby incorporated herein by reference as though fully set forth; provided, further, all sums due under this promissory note shall be paid by the maker hereof to the payee hereof on or before July 15, 1974.

The privilege is reserved of paying this note in full or in part, at any time, without penalty or bonus.

If action be instituted on this note, the undersigned promises to pay such sum as the court may fix as attorneys' fees.

C. G. REBOZO

Do Not Destroy The Original Note: When paid, said Original Note, together with the Deed of Trust securing same, must be surrendered to Trustee for Cancellation and retention before reconveyance will be made.

NOTE SECURED BY DEED OF TRUST
(INSTALLMENT-INTEREST EXTRA)

\$1,000,000.00

Los Angeles, California July 10, 1969.

In installments as herein stated, for valued received, I promise to pay to VICTORIA REYES COTTON OGDEN, LIONEL E. OGDEN and EDWIN L. HARBACH, as Trustees under that certain Deed to Trustees executed June 14, 1961, in Los Angeles County Superior Court No. 771907; VICTORIA COTTON OGDEN, LUCY ELLEN COTTON and JANICE OGDEN VEST (formerly Janice Lucy Ogden); or order, at Los Angeles, California, the sum of ONE MILLION AND NO/100THS DOLLARS, with interest from July 15, 1969 on unpaid principal at the rate of 7 1/2 per cent per annum, interest payable with principal payments and in addition to principal payments; principal payable annually in installments of ONE HUNDRED THOUSAND AND NO/100THS DOLLARS, beginning July 15, 1970, and continuing until July 15, 1974, at which date the entire balance of unpaid principal and accrued interest shall be due and payable.

The privilege is reserved of paying this note in part or in full, at any time after January 1, 1970, without penalty, but no payments may be made on account of this note prior to January 1, 1970.

Should interest not be so paid it shall thereafter bear like interest as the principal, but such unpaid interest so compounded shall not exceed an amount equal to simple interest on the unpaid principal at the maximum rate permitted by law. Should default be made in payment of any installment of principal or interest when due the whole sum of principal and interest shall become immediately due at the option of the holder of this note. Principal and interest payable in lawful money of the United States. If action be instituted on this note I promise to pay such sum as the Court may fix as attorney's fees. This note is secured by a DEED OF TRUST to TITLE INSURANCE AND TRUST COMPANY, a California corporation as Trustee.

It is understood and agreed that this note is made, executed and delivered by maker only in the capacity of Trustee, and not otherwise, and that it shall be liable and responsible hereunder only in that capacity and not otherwise; and the payee for himself, his successors and assigns, hereby waives, releases and relinquishes all recourse against maker save as such trustee, hereby agreeing to look solely to the assets of said trust estate for satisfaction of any claim or demand of whatsoever nature he may ever have or assert under or by virtue hereof.

TITLE INSURANCE AND TRUST COMPANY

BY: *Wm. C. Cotton*
Vice President

BY: *Edwin L. Harbach*
Assistant Secretary

DO NOT DESTROY THIS NOTE

Exhibit 1

Do Not Destroy The Original Note: When paid, said Original Note, together with the Deed of Trust securing same, must be surrendered to Trustee for Cancellation and retention before reconveyance will be made.

NOTE SECURED BY DEED OF TRUST
(INSTALLMENT-INTEREST EXTRA)

\$80,000.00

Los Angeles, California September 11, 1969.

In installments as herein stated, for valued received, I promise to pay to JOHN J. ELMORE, JOHN JAMESON ELMORE AND STEPHEN HENRY ELMORE, Trustees under the last will and testament of Hetty J. Elmore, or order, at Newport Beach, California the sum of EIGHTY THOUSAND AND NO/100THS DOLLARS, with interest from October 13, 1969 on unpaid principal at the rate of 7 1/2 per cent per annum, interest payable with principal payments and in addition to principal payments; principal payable annually in installments of SIXTEEN THOUSAND AND NO/100THS DOLLARS, beginning October 13, 1970 and continuing until October 13, 1974, at which date the entire balance of unpaid principal and accrued interest shall be due and payable.

The privilege is reserved of making payments to apply on account of principal or interest hereof, from time to time, and at any time prior to the maturity hereof, without penalty or bonus.

Should interest not be so paid it shall thereafter bear like interest as the principal, but such unpaid interest so compounded shall not exceed an amount equal to simple interest on the unpaid principal at the maximum rate permitted by law. Should default be made in payment of any installment of principal or interest when due the whole sum of principal and interest shall become immediately due at the option of the holder of this note. Principal and interest payable in lawful money of the United States. If action be instituted on this note I promise to pay such sum as the Court may fix as attorney's fees. This note is secured by a DEED OF TRUST to TITLE INSURANCE AND TRUST COMPANY, a California corporation as Trustee.

It is understood and agreed that this note is made, executed and delivered by maker only in the capacity of Trustee, and not otherwise, and that it shall be liable and responsible hereunder only in that capacity and not otherwise; and the payee for himself, his successors and assigns, hereby waives, releases and relinquishes all recourse against maker save as such trustee, hereby agreeing to look solely to the assets of said trust estate for satisfaction of any claim or demand of whatsoever nature he may ever have or assert under or by virtue hereof.

TITLE INSURANCE AND TRUST COMPANY

BY: Vincent G. Bettner

VICED PRESIDENT

BY: J. J. Elmore

ASSIGNMENT SECRETARY

DO NOT DESTROY THIS NOTE

Exhibit 2

GRIFFIN EXHIBIT No. 20

HUDSON VALLEY
NATIONAL BANK

INTEROFFICE CORRESPONDENCE

To: File

From: William E. Griffin

Subject: C. G. Rebozo - Loan

Date: December 8, 1972

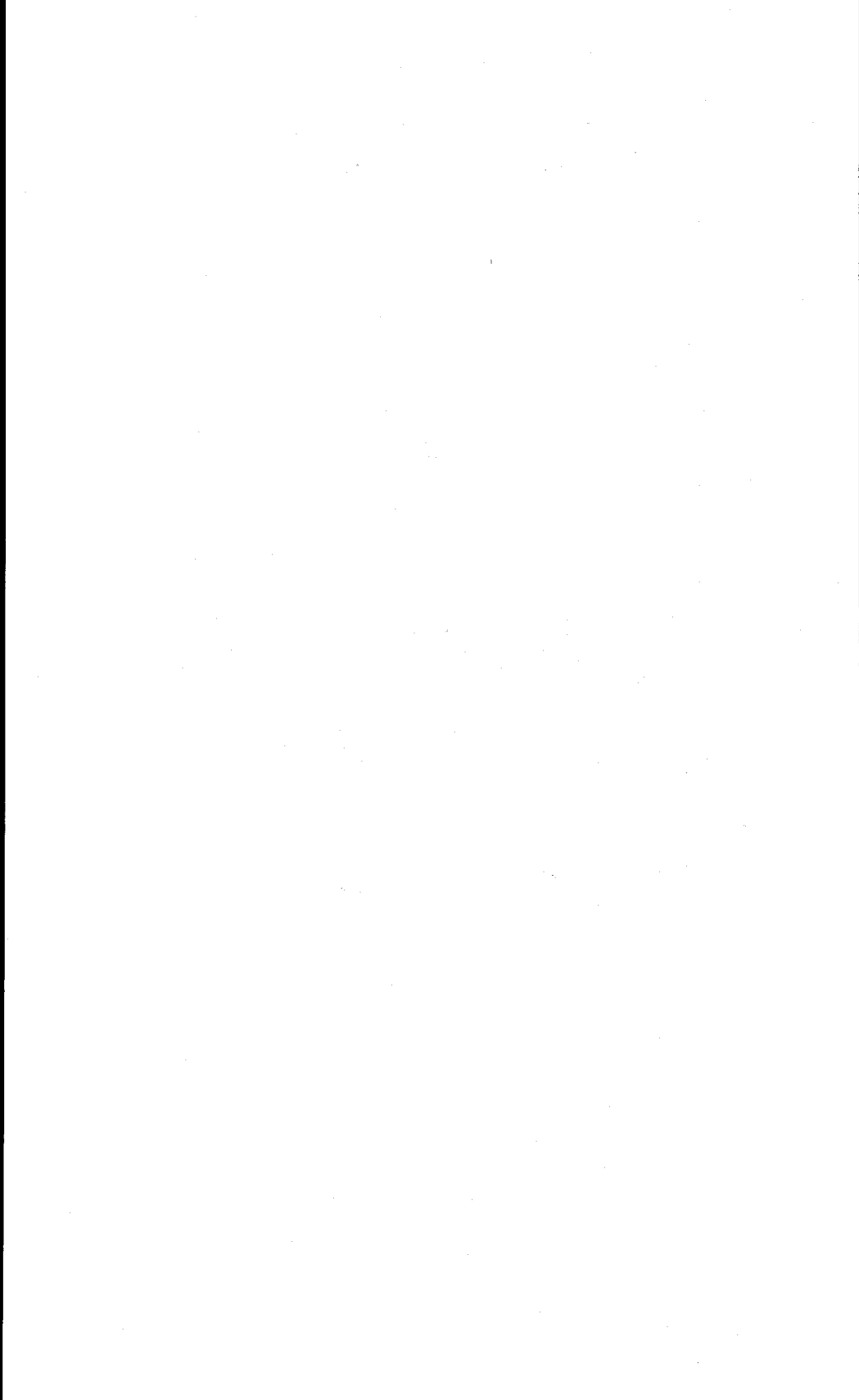
c.c.:

On the 6th day of November, 1972 Mr. C. G. Rebozo, a personal friend of mine and a very close associate of Mr. Robert H. Abplanalp, was in New York to acquire funds on a loan basis from the Bankers Trust Co. At a luncheon between the three of us, Mr. Abplanalp suggested to Mr. Rebozo that he acquire the funds from our Bank rather than from any other New York bank.

Mr. Rebozo filled out an application and filed with us a financial statement, dated October 10, 1972, showing a net worth in excess of 1.4 million dollars and income per year in excess of \$190,000. Although the liquidity of the personal financial statement is not the best, it was decided that this would be a good loan for us in the amount of \$200,000 for one year, \$25,000 for nine months. The interest rate on this loan is to be $1\frac{1}{2}\%$ above the prime rate, not to exceed $7\frac{1}{2}\%$.

Because of the associations of these individuals, it was suggested that these files be kept in the strictest of confidence and that they only be shown on a "need to know" basis.

Attachments: Application and
Personal Financial Statement



THURSDAY, MAY 2, 1974

U.S. SENATE,
SELECT COMMITTEE ON
PRESIDENTIAL CAMPAIGN ACTIVITIES,
Washington, D.C.

The Select Committee met, pursuant to notice, at 10:50 a.m., in room G-334, Dirksen Senate Office Building, Senator Lowell P. Weicker, Jr., presiding.

Present: Senator Weicker.

Also present: Terry F. Lenzner, assistant chief counsel; Marc Lackritz, assistant majority counsel; Fred D. Thompson, chief minority counsel; Richard L. Schultz, assistant minority counsel; Scott Armstrong, investigator; Emily Sheketoff and Mary D'Oreo, research assistants.

Senator WEICKER. Now, I have read this letter here, and I dare say we will get into matters raised in that, but I think the first thing to do is go ahead and swear in the witness.

Do you swear that the testimony you are about to give is the truth, the whole truth, and nothing but the truth, so help you God?

Mr. HAIG. I do.

Senator WEICKER. All right. Council.

Mr. LENZNER. Mr. St. Clair, would you like to read that letter into the record?

Mr. ST. CLAIR. Gentlemen, have the general identify himself.

Mr. LENZNER. Yes. State your name, address, and position.

**TESTIMONY OF ALEXANDER M. HAIG, JR., STAFF COORDINATOR
TO THE PRESIDENT, ACCOMPANIED BY JAMES D. ST. CLAIR,
COUNSEL**

Mr. HAIG. General Alexander M. Haig, retired. I am the President's staff coordinator, and I live in the District of Columbia, in Washington.

Mr. LENZNER. How long have you been staff coordinator to the President?

Mr. HAIG. Since May of last year—May 1973.

Mr. ST. CLAIR. May I read into the record a letter of which I have furnished to you?

Mr. LENZNER. Yes.

Mr. ST. CLAIR. The date of May 1, 1974, addressed to General Haig from President Richard Nixon, reading as follows:

I am informed that you have been subpoenaed to testify before the Senate Select Committee on Presidential Campaign Activities on May 2, 1974.

It would be wholly inappropriate for the Committee to examine you about your activities as Chief of Staff or about information that has come to you in that position since your assumption of your present duties in May, 1973, or in your earlier position as a member of the staff of the National Security Council.

A President's Chief of Staff is inevitably very close to the President and functions as the President's right arm. He is often the means by which the President communicates with his lawyers on matters that are within the attorney-client privilege. It is also the means by which the President communicates with other members of the Executive Branch.

In your former capacity as a senior member of the National Security Council staff, you dealt with the most sensitive categories of information relating to the national security.

Whatever differences there are about the reaches of executive privilege generally, I am confident that the members of the Senate Select Committee will recognize that it is essential to any President that he be able to talk with complete freedom and candor with the person that occupies such a close relationship with him and who works so closely with him on the full range of executive functions.

While I have made every effort to waive privilege for former and present members of my staff to testify before the Senate Select Committee, I must regretfully decline in your case.

You are, therefore, directed not to testify about my information received or activities undertaken while you served as my Chief of Staff or as a member of the National Security Council staff.

The letter is addressed to Gen. Alexander M. Haig, Jr., Assistant to the President.

Mr. LENZNER. Could you indicate who signed it?

Mr. ST. CLAIR. Richard Nixon.

Mr. LENZNER. For the record, General Haig, could you describe the duties that the letter describes as the—that you functioned in as the President's chief of staff?

Mr. ST. CLAIR. Mr. Lenzner, I am instructing the witness to answer no further questions in the light of this instruction.

Mr. LENZNER. How can we determine, Mr. St. Clair, whether the area of inquiry relates to his duties as chief of staff and staff coordinator, as he has indicated, are outside his duties as chief of staff if we don't know what his duties are as chief of staff?

Mr. ST. CLAIR. That is a problem you will have to solve for yourself. This witness will not testify.

Mr. LENZNER. Senator Weicker, I think the witness ought to be directed to answer that question so we can determine if there are pertinent areas as to our inquiry.

I don't see how we can—let me ask him this question: Have you had occasion to speak with individuals who are not employed by the U.S. Government?

Mr. ST. CLAIR. The witness will not testify.

Senator WEICKER. I would ask the reporter to read back the original question.

[Whereupon the reporter read back the previous question.]

Mr. ST. CLAIR. Senator, the witness has been ordered by the President to not respond to questions regarding any of his duties, and I am instructing him in the light of this direction from the President, and with all due respect, cannot properly answer any further questions.

Senator WEICKER. In other words, it is your interpretation, counsel, that the President's letter has as its meaning a direction to General Haig that he cannot testify, period?

Mr. ST. CLAIR. That is correct.

Senator WEICKER. Rather than the limitation which I read as to testimony as to his duties as chief of staff from May 1973, as a

member of the National Security Council. It is your interpretation of the President's letter that the admonition not to testify doesn't just relate to those particular functions, but goes into any testimony whatsoever?

Mr. ST. CLAIR. If you want to ask him about the weather—I assume he is here because of actions taken in either one of these capacities. His personal matters are irrelevant, and I think he should not even be asked any such questions.

Clearly, the President makes in this letter this witness, on his direction, is not to testify, and furthermore, I may add for the record that consulting with the President, those are the clear instructions that the President gave me.

Mr. LENZNER. He is not to answer any questions?

Mr. ST. CLAIR. That is correct.

Senator WEICKER. Well, I think that is a matter then, that has to be resolved. No. 1, that is not what I read in this letter, and I appreciate counsel's explanation.

I would agree as to questions that relate to General Haig's position as a member of the staff of the National Security Council, and I would rule any questions out of order that touch upon that area of his activity.

On the other hand, I think what I would like to do now is to have counsel proceed and I will have to make the determination question by question as to whether I will direct the witness to answer.

Mr. LENZNER. Since the letter relates to attorney-client privilege, are you an attorney, General Haig?

Mr. HAIG. No, I am not an attorney.

Mr. LENZNER. Now, can you tell us as part of your duties as chief of staff, have you had occasion to discuss what appeared to you to be criminal activities of other individuals?

Mr. ST. CLAIR. I will direct the witness not to answer. You know, Senator, is there some mechanism whereby we can accommodate you? I know you are busy and so is the general. The witness will not under this order answer any questions that have any bearing whatsoever.

Senator WEICKER. I would like to, if I could, at this time meet with both minority counsel and Mr. Lenzner out in the hall, if I might.

[Recess.]

[Discussion off the record.]

Senator WEICKER. On the record.

Mr. LENZNER. General Haig, what are your duties as chief of staff since May of 1973?

Mr. ST. CLAIR. I instruct the witness not to answer the question.

Mr. LENZNER. I would request the direction that the witness answer the question as being a proper question in compliance with the mandate of this committee.

Mr. ST. CLAIR. Respectfully, sir, the witness is instructed in accordance with the directions of the President not to answer the question, and I do not contend that the question is improper except that it calls for an answer that would be in violation of the witness' orders from the President of the United States.

Mr. LENZNER. With your permission, Senator, we will furnish for the record and for Mr. St. Clair a statement of pertinency and relevancy as to each of these questions for further consideration of the committee, if that is agreeable to you.

Senator WEICKER. Yes.

Mr. ST. CLAIR. It is agreeable to me.

Mr. LENZNER. Have you on occasion, as part of your duties as chief of staff at the White House, discussed with other individuals, criminal activities involving individuals?

Mr. ST. CLAIR. The witness is instructed not to answer.

Mr. LENZNER. I request the direction that the witness answer.

Senator WEICKER. I would request the witness to respond to the question as being a proper question.

Mr. ST. CLAIR. Respectfully, Senator, the witness is instructed not to respond.

Mr. LENZNER. Did you on or about October 18, 1973, telephonically contact Attorney General Richardson and speak to him with regard to an ongoing criminal investigation by the Internal Revenue Service of \$100,000 that Charles G. Rebozo had received from the Hughes Tool Co.?

Mr. ST. CLAIR. The witness is instructed not to respond.

Mr. LENZNER. I request the direction that the witness answer that question.

Senator WEICKER. I direct the witness to respond to the question as being a proper question and being within the mandate and purview of this committee.

Mr. ST. CLAIR. In the light of the directions of the President, he will not respond.

Mr. LENZNER. One last question: As chief of staff since May of 1973, General Haig, have you had occasion to discuss the \$100,000 in cash that was furnished Mr. Charles G. Rebozo by the Hughes Tool Co., with Mr. William Frates, Mr. James O'Connor, Mr. Robert Abplanalp, Mr. John Ehrlichman, Mr. H. R. Haldeman, Mr. Herbert Kalmbach, Mr. Frank DeMarco, Mr. Richard Danner, Mr. William Griffin, Mr. Kenneth Gemmill, Miss Rose Mary Woods, Mr. F. Donald Nixon, Mr. Edward Nixon, Mr. John Wilson, Mr. Frank Strickler, Mr. Charles Colson, Mr. David Shapiro, or Mr. Charles G. Rebozo himself?

Mr. ST. CLAIR. The witness is instructed not to answer.

Mr. LENZNER. Senator, I request that the witness be directed to answer that question.

Senator WEICKER. I direct the witness to respond to the question as being a proper question and within the mandate and purview of the committee.

Mr. ST. CLAIR. Respectfully, sir, in light of the instructions of the President, we decline to answer.

Senator WEICKER. Now, as I understand it, counsel has further questions to ask of the witness. I also understand from counsel for the witness that he would continue to instruct his client not to respond pursuant to the request of the President in his letter of May 1, 1974.

Mr. ST. CLAIR. That is correct.

Senator WEICKER. I want to indicate to counsel it will be my duty to take the matter before the full committee for whatever determination they can make.

Mr. LENZNER. With your permission and Mr. St. Clair's permission, I would like to furnish both the committee and Mr. St. Clair a statement of relevancy of these questions, but also other questions we would have propounded, and a statement of relevancy relating to them.

Mr. ST. CLAIR. I will be pleased to receive such a statement.

Mr. LENZNER. I assume your client will not respond?

Mr. ST. CLAIR. That is correct.

Mr. LENZNER. May I ask you, Mr. St. Clair, are you representing General Haig as counsel?

Mr. ST. CLAIR. I am representing the President of the United States as special counsel and this witness in his capacity of chief of staff.

Mr. LENZNER. It is my understanding that on May 22 President Nixon issued a statement which indicated:

I specifically stated that executive privilege will not be invoked as to any testimony concerning possible criminal conduct or discussions of possible criminal conduct in the matters under investigation.

Is it your position or the White House's position that the letter to General Haig of May 1, 1974, amends the President's prior statement relating to executive privilege that I just read?

Mr. ST. CLAIR. Well, I don't know that I need respond to interrogation, but I have no hesitancy——

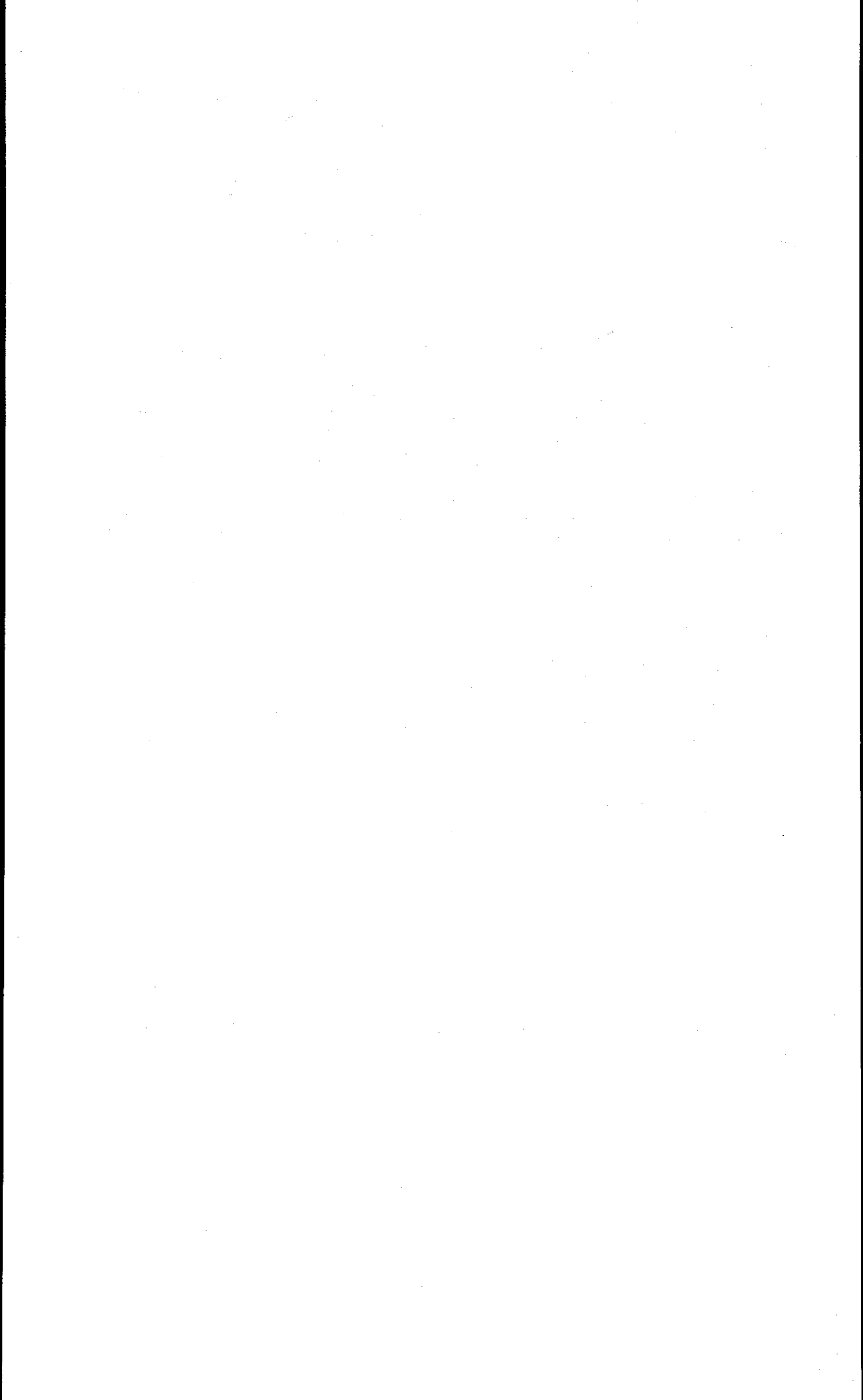
Senator WEICKER. I don't think counsel does have to respond. He has made his position clear. I don't think counsel has to respond.

Mr. LENZNER. We will furnish those additional materials for the record.

Thank you.

Mr. ST. CLAIR. Thank you very much.

[Whereupon at 11:30 a.m., the hearing adjourned.]



SUNDAY, MAY 5, 1974

**U.S. SENATE,
SELECT COMMITTEE ON
PRESIDENTIAL CAMPAIGN ACTIVITIES,
Washington, D.C.**

The Select Committee met, pursuant to notice, at 5:40 p.m. in suite 300, 900 17th Street NW., Washington, D.C.

Present: Terry Lenzner, assistant chief counsel; Scott Armstrong and Mary DeOreo, investigators.

Mr. LENZNER. This is a continuation of previous executive sessions. Mr. Kalmbach has been sworn and continues to testify under oath. Do you understand that, Mr. Kalmbach?

Mr. KALMBACH. I do.

Mr. ARMSTRONG. Mr. Kalmbach, do you have any recollection or can you give us your best recollection regarding any requests for information that Mr. Rebozo may have made of Mr. Jack Gleason with regards to accepting the contribution from a contributor living abroad?

**TESTIMONY OF HERBERT W. KALMBACH, ACCOMPANIED BY
EDWARD P. MORGAN, COUNSEL**

Mr. KALMBACH. I have a faint recollection, perhaps more of an impression, that I was asked about this inquiry of Mr. Gleason by Mr. Rebozo, and that perhaps I was advised more than asked, of this inquiry. But I have no certainty in my mind as to this inquiry. It is just a faint recollection.

Mr. ARMSTRONG. Could you tell us your best recollection as to who asked you about it, or who advised you about it?

Mr. KALMBACH. Well, it seems to me that I was talked to by Mr. Gleason, who advised me that Mr. Rebozo had called him and that Mr. Rebozo had asked Mr. Gleason to tell him whether or not it was permissible for foreigners—that is, foreign nationals—to make political contributions; and I have the impression—and I have no certainty in this area—but I have the impression that Mr. Gleason's response was that he was not certain himself as to the answer to that, and that is about the extent of my memory of that conversation with Mr. Gleason. But again, I want to underscore it for the record, that I do not have a clear memory on this, and it is just a faint impression.

Mr. ARMSTRONG. Can you recall a rough time period when this would have occurred?

Mr. KALMBACH. I don't know, but it could be in the 1970, 1971 or the 1970, probably in the 1970 period, although it could have gone into 1971, but more in 1970, or perhaps—I don't know. Perhaps this was sometime in 1968. My memory of this is so poor that I just do not have any sort of a precise fix on—gee, even the approximate date of such a conversation.

(10855)

Mr. ARMSTRONG. Do you have any recollection regarding the identity, or any of the characteristics of the foreign national that was or about whom, the request had been made?

Mr. KALMBACH. No. I don't. I think that Mr. Rebozo, at another time, talked to me—again, this is the same quality of an impression—talked to me about a foreign national making contributions, and he was talking to me about, I think, someone in Europe, a man of affairs in Europe, who perhaps represented people of wealth in Europe. I did not and still do not have a clear memory, or a clear understanding, as to the man's identity, or even the man's nationality, but it was someone that I think he was alluding to, but he was talking to me in a very general way, and I was just noting his comments. But other than that very general impression, I cannot be more responsive.

[Discussion off the record.]

Mr. LENZNER. Now, Mr. Kalmbach, after you were interviewed by members of the Senate Select Committee staff with regard to a conversation you had with Mr. Rebozo, was communication made to Mr. Rebozo to advise him that the subject of the April 30 meeting had come up?

Mr. KALMBACH. Yes, there was a communication to Mr. Rebozo to that effect.

Mr. LENZNER. And was a similar communication made to Mr. Rebozo prior to the interview you had with the U.S. Attorney's Office in the Southern District of New York, advising Mr. Rebozo that the subject might come up also with them, the subject of the April 30 meeting?

Mr. KALMBACH. Yes. The feeling was that the subject might come up.

Mr. LENZNER. And to clarify my prior question, as I understand it, Mr. O'Connor called Mr. Rebozo after your interview in October with Mr. Armstrong and myself, basically to advise Mr. Rebozo that the attorney-client privilege did not have to be invoked during the October interview?

Mr. KALMBACH. Yes. The purpose of that call was to advise Mr. Rebozo that Mr. Lenzner had requested information relevant to the President's personal bank accounts, and thereby posing a possible attorney-client problem that Mr. Rebozo—and through Mr. Rebozo, the President should be aware of. And also the second purpose of that call was to advise Mr. Rebozo that the attorney-client matter relative to Mr. Rebozo and Mr. Kalmbach had not been raised.

Mr. LENZNER. And as I also understand it, the times you did call Mr. Rebozo, prior to your meeting with the U.S. Attorney's Office in New York on the Vesco matter, was also related to your prior interview with the Senate Select Committee and the Special Prosecutor's Office. Is that correct?

Mr. KALMBACH. Excuse me, will you restate your question?

Mr. LENZNER. Yes. The phone contact that you had with Mr. Rebozo on the April 30 matter that we already asked you about, also related to possible interviews with the Special Prosecutor's Office and with the Watergate Senate Committee.

Mr. KALMBACH. That is correct.

Mr. LENZNER. And I also understand that in March of this year, you again saw Mr. Rebozo and indicated to him that it had not become necessary to invoke the attorney-client privilege up to that point.

Mr. KALMBACH. No, that is not correct.

Mr. LENZNER. Well, straighten me out on that.

Mr. KALMBACH. In March of this year, shortly after I had resigned from my law firm, I called Mr. Rebozo on the telephone and informed Mr. Rebozo of my resignation from the law firm. I informed him also I was tendering my resignation as an executive trustee of the Richard Nixon Foundation through him to the President to be accepted or not accepted at the President's will. And finally, I advised Mr. Rebozo in that conversation that I had been questioned about the attorney-client matter that we had talked about, and that I had invoked the privilege before the Special Prosecutor's Office.

Mr. LENZNER. Now, coming to another subject, did there come a time when Mr. Higby of Mr. Haldeman's staff advised you that Mr. Leonard Firestone of the Richard Nixon Foundation was to employ the President's brother, Mr. Edward Nixon?

Mr. KALMBACH. That is correct.

Mr. LENZNER. Did he also advise you that this was at Mr. Haldeman's direction?

Mr. KALMBACH. That is my understanding.

Mr. LENZNER. Did you communicate that to Mr. Firestone and the amount that Mr. Edward Nixon was supposed to receive from the foundation?

Mr. KALMBACH. I did.

Mr. LENZNER. And do you know if, after that conversation, Mr. Edward Nixon was, in fact, employed by the Richard Nixon Foundation?

Mr. KALMBACH. Yes, he was employed on a part-time basis. I think the salary figure was \$1,500 per month.

Mr. LENZNER. Now, generally, looking at the diary entries of your records, Mr. Kalmbach, so we do not have to go over each item, is it fair to say that, on a number of occasions, the diary entries reflect subjects that you were seeking to discuss, or did discuss, with Mr. Ehrlichman that included Mr. Donald Nixon on occasion, Mr. Tony Ulasewicz, and Mr. Jack Caulfield?

Mr. KALMBACH. Yes.

Mr. LENZNER. Now, is it also fair to say that, beginning in 1969, you were reporting and discussing with Mr. Haldeman, Mr. Ehrlichman, and, on occasion, Mr. Rebozo, issues relating to Mr. Donald Nixon and Mr. Edward Nixon?

Mr. KALMBACH. Yes.

Mr. LENZNER. And, indeed, looking at the January 28 diary entry, does that not reflect a breakfast meeting that you had with Mr. Donald Nixon to discuss some issues with him?

Mr. KALMBACH. Yes.

Mr. ARMSTRONG. That's 1969.

Mr. LENZNER. 1969, thank you. And did those discussions include, on occasion, discussions with regard to his employment with Gladioux with regard to certain investments, with regard to his retainer for the Carnation Corp.?

Mr. KALMBACH. Yes.

Mr. LENZNER. And did the substance of those conversations become a part of your later discussions with Mr. Ehrlichman and Mr. Halde-
man on occasion?

Mr. KALMBACH. Yes.

Mr. LENZNER. Did there come a time when you requested Mr. Blech, at Mr. Ehrlichman's suggestion, to also assist Mr. Donald Nixon in any tax problems he was encountering?

Mr. KALMBACH. There did come a time when I did ask Mr. Donald Nixon to get in touch with Mr. Blech to help in his personal tax matters.

Mr. LENZNER. Now, if you look at the January 14, 1969, diary, that generally reflects some of the funds that were given to you as trustee, and it also reflects a conversation with Mr. Stans, does it not?

Mr. KALMBACH. Yes, this note advises me where Mr. Stans asked me to act as trustee for certain funds which he characterized as largely from the primary period of the 1968 campaign, and further the note indicates, in a perspective way, the general amounts that may be the subject of my trusteeship.

Mr. LENZNER. And subsequent to that conversation, on occasions, did you discuss with Mr. Ehrlichman, Mr. Haldeman, and Mr. Stans, the amounts and funds that you were retaining in safety deposit boxes of these funds?

Mr. KALMBACH. In safety deposit boxes and in a checking account in New York City, and that was on a continuing basis.

Mr. LENZNER. And I believe that notations in the diaries reflect those communications with those gentlemen, is that not also correct?

Mr. KALMBACH. That is also correct.

Mr. LENZNER. Now, turning to the date March 5, 1969, in your diary, under the initials "MHS (list) :", there is a notation, "DKL \$25,000" appears to be "(WMM)". Can you explain what this is?

Mr. KALMBACH. It would be my recollection that Mr. Stans spoke to me about a contribution by Mr. D. K. Ludwig in the amount of \$25,000, and I think that Mr. William Middendorf, who was at that time treasurer of the Republican National Finance Committee, had knowledge, or more specific knowledge, as to that contribution.

Mr. LENZNER. And Mr. Middendorf was the treasurer of the Republican National Committee at that time, was he not?

Mr. KALMBACH. Yes, he was, and of course he had been treasurer of the Nixon for President campaign in 1968 as well.

Mr. LENZNER. And did there come a time when you learned that part of those funds were disbursed to another individual?

Mr. KALMBACH. Yes.

Mr. LENZNER. We'll pick up that date later, but can you just describe, while we are on it, for the record, what you learned with regard to that?

Mr. KALMBACH. Well, I have no independent recollection of this and my recollection is prompted solely from the review of my notes which tells me that in speaking to Mr. Middendorf, I learned that Mr. Edward Nixon was to be paid approximately \$3,000 from funds which, per my notes, were funds received from Mr. Ludwig and that these payments were to be paid to Mr. Nixon until such time as he had gained employment.

Mr. LENZNER. Now, looking at March 15, Mr. Kalmbach, there is a notation "Flanigan box." Does that reflect a communication you had with him where you probably advised him about the existence of the safety deposit box in New York?

Mr. KALMBACH. Correct. And not only the safety deposit box in New York, but also the safety deposit box that had been opened in the Riggs Bank in Washington.

Mr. LENZNER. And again, just for an example of the kind of entries we have here, on Monday, March 17, 1969, your diary indicates a meeting with Mr. Haldeman at 10 o'clock at the White House and the name Don Nixon being a part of that list of issues you may have discussed with him. Is that correct?

Mr. KALMBACH. Correct.

Mr. LENZNER. And on March 18, again, another reference to Middendorf \$25,000. That again would refer to your prior testimony on that \$25,000 contribution?

Mr. KALMBACH. Yes, in 1969.

Mr. LENZNER. 1969. All right. Now, your notes of Friday, March 21, 1969, reflect a phone contact from Mr. Rebozo re Jim Crosby. Was that contact the first of a series where you received information with regard to a problem concerning Resorts International?

Mr. KALMBACH. Yes, it would be my recollection that it was the first in a number of calls, wherein I was requested to prepare a memorandum and to be of assistance in that matter.

Mr. LENZNER. And that was a memo for Mr. Ehrlichman?

Mr. KALMBACH. That memo was mailed to Mr. Ehrlichman, that is correct.

Mr. LENZNER. And your notes, without going through all of them—do the dates March 21, March 22, 1969, reflect the information that you received from the people that discussed this with you?

Mr. KALMBACH. That is correct.

Mr. LENZNER. Because of the time problems and Mr. Kalmbach's cooperation with us in reviewing several numbers of items on his diary, we are going to attempt to put into coherent fashion the information that we have received relating to these considerable number of details over the 1969 and 1970 period. However, there are just two or three entries that I want to deal with right now, and then I will close the record.

Mr. Kalmbach, on April 29, 1969, there was an entry under the name Ehrlichman, Ed Nixon, \$3,000. Can you tell us if that is the money that came out of the Ludwig contribution and that you were instructed by Mr. Ehrlichman on this matter with regard to that money? The money was to be paid to Mr. Edward Nixon.

Mr. KALMBACH. It would be my impression, Mr. Lenzner, from that notation which I think has an "OK" after it, that I had raised this matter with Mr. Ehrlichman and that he had, in fact, OK'd the payment of these funds to Mr. Edward Nixon.

Mr. LENZNER. Now, turning to what has been marked as page 60 of additional notes of yours, Mr. Kalmbach—and these are in your handwriting, are they not?

Mr. KALMBACH. They are.

Mr. LENZNER. You will note, under the heading "Ehrlichman" at the top of our page 60, the words "Ed Nixon, \$3,000?" and then an OK. Is that the OK that you were just referring to?

Mr. KALMBACH. That is the OK that I understood that you were asking me about before, and I identify that as the item in my diaries that I was testifying to.

Mr. LENZNER. And on that same page, there is a note, "Bebe: Bebe's \$200 Caulfield \$320." Does that refer to the funds that Mr. Rebozo sent to you left over from the 1968 campaign that were used to pay Mr. Tony Ulasewicz?

Mr. KALMBACH. I think that note, Mr. Lenzner, refers to funds that were left over from the Florida campaign, the 1968 campaign, and were used to pay Mr. Caulfield for, I think, an expense statement that he had submitted to me for payment.

Mr. LENZNER. Now, looking at a diary entry entitled "Things to do and calls to make, Monday, July 14 and Sunday July 20," Mr. Kalmbach, you will note the name Rebozo there. Does that indicate a contact with Rebozo with regard to the issues on the right of that?

Mr. KALMBACH. It means that I did contact Mr. Rebozo and the fact that I drew a line through Mr. Rebozo's name and all the items attributed to Mr. Rebozo meant that I talked to him and talked to him on the subjects indicated.

Mr. LENZNER. There is a notation of \$1,000, Tony \$917 and then expenses. Can you describe what those items would have reflected?

Mr. KALMBACH. Yes; Mr. Ulasewicz had been put on my payroll, that is from funds under my control, at the direction of Mr. Ehrlichman and this amount, this \$917 represents, to my thinking, the first compensation, 2-week compensation payment to Mr. Ulasewicz, based on a \$22,000 per annum compensation arrangement and in order for me to make this payment to Mr. Ulasewicz, I was sent \$1,000 by Mr. Rebozo from funds under his control, and that amount was placed in Mr. Ulasewicz' checking account and a \$970 2-week compensation check was drawn against that \$1,000.

Mr. LENZNER. Let me show you this check marked as Rebozo exhibit No. 2.*

Mr. KALMBACH. I identify this check as a check that Mr. Rebozo sent me from the Thomas H. Wakefield special account for \$1,000.

Mr. LENZNER. And is that the check that you referred to in your prior testimony as the \$1,000 that was to pay for Mr. Ulasewicz that you discussed with Mr. Rebozo?

Mr. KALMBACH. Yes.

Mr. LENZNER. And is it not clear from going through these diaries that you had on a number of occasions, discussions directly with Mr. Rebozo with regard to Mr. Ulasewicz and payments for his activities?

Mr. KALMBACH. Correct.

Mr. LENZNER. Now, turning to entries marked July 21, 1970, in your handwriting—is this your handwriting, Mr. Kalmbach, where it says, "Stans, \$5,000" and then to the right, "\$5,000 Don N."?

Mr. KALMBACH. Yes.

Mr. LENZNER. And can you tell us what those entries reflect?

Mr. KALMBACH. Yes; my recollection is that this notation indicates that I told Mr. Stans that in a count of the funds then in the Riggs box

*See Book 21, p. 10156.

in Washington, that in making that count I noticed that an envelope marked with Mr. Don Nixon's name on the outside of the envelope, was short in the amount within the envelope as against the amount marked on the outside of the envelope and the shortage was \$5,000 in amount.

Now, this means to me, or meant to me at the time, that Mr. Don Nixon was paid that \$5,000 in 1968 from these cash funds and was paid \$5,000 more than was indicated on the outside of the envelope.

Mr. LENZNER. And these funds were funds left over from the campaign and were campaign contributions to the 1968 campaign?

Mr. KALMBACH. Yes, that is correct, and my assumption here is that those funds were disbursed to Mr. Don Nixon as expenses in the 1968 campaign.

Mr. LENZNER. Let us mark these two checks as exhibits 5 and 6.

[The documents referred to were marked Kalmbach exhibits Nos. 5 and 6, respectively, for identification.*]

Mr. LENZNER. Now, showing you exhibits 5 and 6, Mr. Kalmbach, does exhibit 5 reflect a check from the Florida Nixon for President Committee from Mr. Rebozo?

Mr. KALMBACH. It does.

Mr. LENZNER. And that was sent to you and you deposited that in account—

Mr. KALMBACH. That was deposited in a special trustee account.

Mr. LENZNER. And you drew funds from that account? For what purpose?

Mr. KALMBACH. And in addition to that amount of \$216.18 the second check was also—which is marked "Exhibit 6"—that second check was deposited in that self-same account, and the balance being \$416.18, and against that account I drew one check, to my memory, in the amount of \$220, and that check was disbursed to Mr. Caulfield for expenses incurred.

I think there was an additional disbursement from that account to pay for the printing of checks for the account, leaving a balance of less than \$30 which is the same balance as is in the account today.

Mr. LENZNER. And I take it that the entries reflecting communications in the diaries with Mr. Rebozo, with regard to Caulfield and Ulasewicz, would indicate to you that the funds you just referred to were indicated to Mr. Rebozo to be used on behalf of Mr. Caulfield?

Mr. KALMBACH. Yes, that would be my memory, and that is that both Mr. Ehrlichman and Mr. Rebozo were aware of the fact that this \$320 check was to be disbursed from this account to Mr. Caulfield for expenses incurred by Mr. Caulfield.

Mr. LENZNER. Now, can we stipulate that we have reviewed with Mr. Kalmbach and Mr. Morgan a considerable number of documents that Mr. Kalmbach has furnished the committee and that the committee staff will prepare an affidavit for review by both Mr. Morgan and Mr. Kalmbach, based on the documents that we have been reviewing today and Mr. Kalmbach's responses?

Mr. MORGAN. It is agreeable.



Mr. KALMBACH. It is so stipulated.

Mr. LENZNER. Thank you very much.

[Whereupon, at 7:15 p.m. the executive session was adjourned.]

*See pp. 10862-63.

KALMBACH Exhibit No. 5

FLORIDA NIXON FOR PRESIDENT COMMITTEE 95 WEST MONTGOMERY STREET MIAMI BEACH, FLA. 33139		No. 1150
DATE	AMOUNT	93.179 631
Pay to the order of	Hertert W. Kalmbach	
	\$ 216.18	
 Key Biscayne Bank 1000 N. MIAMI AVE. MIAMI BEACH, FLA. 33139		DATE WHEN PAID
For	 00631-01380 6-0455 000000216187	

The Report made to
 Herbert W. Kalmbach,
 Miami,

1000 N. MIAMI AVE.
 MIAMI BEACH, FLA. 33139
 DI 2294 48174 109

KALMBACH EXHIBIT No. 6

THOMAS H. WAKEFIELD - SPECIAL ACCOUNT		1001
SUITE 211, 150 S.E. SECOND STREET MIAMI, FLA. 33131		03110 031
Pay TO THE ORDER OF	Herbert W. Kalmbach	\$ 200.00
		DOLLARS
FOR	THOMAS H. WAKEFIELD - SPECIAL ACCOUNT	
<i>Key Bank</i>	<i>John H. Wakefield</i>	
⑆0531-018⑆ 2-1671⑆		⑈0000020000⑈

FOR DEPOSIT ONLY TO THE
ACCOUNT OF
HERBERT W. KALMBACH, TRUSTEE
ACCT. NO. 081-406

ON 0824 487 01 48 149

Additional Material Submitted for the Record

April 15, 1969

Dear Herb:

Will be looking forward to meeting with you on or about May 6th in Washington. I will call you on May 1st to confirm your arrival. Listed below is a list of expenses incurred by myself and another individual who shall remain nameless with respect to matters of interest to J.D.E. :

Date- March 28 th -March 30	
NYC-Washington Airfare-	\$40.00
Hotel	<u>30.00</u>
	\$70.00

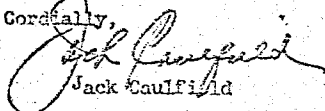
Date-April 2-April 4	
NYC Washington Airfare-	\$40.00
Hotel	<u>45.00</u>
	\$85.00

Date- April 7-April 12	
NYC Washington Airfare	\$40.00
Hotel	<u>75.00</u>
	\$110.00

Date-April 9-10 (anonymous)	
Airfare NYC-Wash	\$40.00
Hotel	<u>15.00</u>
	\$55.00
Total	<u>\$320.00</u>

I would appreciate a check in the amount indicated above to be mailed to my residence, 14 Carleton Road, Orangeburg, New York.

Cordially,



Jack Caulfield

Jack Caulfield
14 Carleton Road,
Orangeburg, N.Y.

SECURITY PACIFIC NATIONAL BANK
Newport Center Office
550 Newport Center Drive
Newport Beach, Calif. 92660

HERBERT W. KALMBACH
ATTORNEY AT LAW
SUITE NO. 900, NEWPORT FINANCIAL PLAZA
550 NEWPORT CENTER DRIVE (714) 644-4111
NEWPORT BEACH, CALIFORNIA 92660

No 101

May 2,

69 90-1851
1222

THREE HUNDRED TWENTY AND NO/100* * * * *

320.00

JACK CAULFIELD

HERBERT W. KALMBACH
TRUSTEE ACCOUNT FOR CLIENTS

COPY - NOT NEGOTIABLE

Herbert W. Kalmbach

HERBERT W. KALMBACH
TRUSTEE ACCOUNT FOR CLIENTS
NEWPORT BEACH, CALIFORNIA

DATE	DESCRIPTION	AMOUNT
5/2/69	Reimbursement of expenses per letter of April 15, 1969	\$320.00

10865

Herbert W. Kalmbach
Trustee Account for Clients

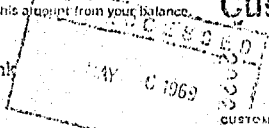
Job No. 204

In accordance with your authorization we have charged your account as shown for printed checks. Please deduct this amount from your balance.

Customer Charge

\$ 51.62

1222 1851 169 081 406
Security Pacific National Bank
Newport Center Office



CUSTOMER ACCT. NUMBER

1851 169 081 406 3

00000005162

SECURITY PACIFIC NATIONAL BANK
Newport Center Office
550 Newport Center Drive
Newport Beach, Calif. 92660

HERBERT W. KALMBACH
ATTORNEY AT LAW
SUITE NO. 900, NEWPORT FINANCIAL PLAZA
550 NEWPORT CENTER DRIVE (714) 644-4111
NEWPORT BEACH, CALIFORNIA 92660

Nº 101

May 2, 1969 99-1851
1222

PAY THREE HUNDRED TWENTY AND NO/100*****DOLLARS \$320.00

TO
THE
ORDER
OF

JACK CAULFIELD

HERBERT W. KALMBACH
TRUSTEE ACCOUNT FOR CLIENTS

Herbert W. Kalmbach

1222 1851 169 081 406

00000032000

10866

PAY ANY BANK P.F.C
NORTH EAST NATIONAL BANK - C
LOS ANGELES, CALIF
CODA DEL AIR BRANCH

01 6723 44 0659 159

75-11669-92624
MAY 3 1969 92623

Jack Lincoln

136
189-611
PAY ANY B
1960 1961
1962 1963
ch

PAY TO THE ORDER OF
THE ROSS NATIONAL BANK
17TH & H STS. OFFICE
FOR DEPOSIT TO THE CREDIT OF
ROGER C. HARRIS
2000 HARRIS HOTELS CORP.

NATIONAL CITY BANK, P.E.C. 10
 THE LOS ANGELES
 MAY 1957 0000
 MAY 2 1957
 PAY TO THE ORDER OF
 BANK, MAY 24 1957
 THE CHRYSLER CREDIT CORP.
 15-3

10868

THOMAS H. WAKEFIELD - SPECIAL ACCOUNT
SUITE 211, 150 S.E. SECOND STREET
MIAMI, FLA. 33131

1001

APR 25 1969

C-152
651

PAY
TO THE
ORDER OF

Herbert W. Kalmbach

\$ 200.00

75 \$ 200.00 200 CTS

DOLLARS

FOR

THOMAS H. WAKEFIELD - SPECIAL ACCOUNT

Key Biscayne Bank
MEMBER FDIC KEY BISCAYNE, FLORIDA

John C. King

⑈0831⑈0138⑈

2⑈1691⑈

CHECKING ACCOUNT
DEPOSIT TICKET
SECURITY FIRST NATIONAL BANK

Use this ticket only for deposit at branch
where account is carried.

NAME *Herbert W. Kalmbach**Trustee*

DATE

CHECKING ACCOUNT NUMBER

081-406

If you are depositing more than 4 checks, list them on the reverse. Enter the total here.		DOLLARS	CENTS
TOTAL CHECKS (from reverse)			
CURRENCY			
COIN			
LIST CHECKS BY BANK NUMBER			
1	63-138	\$ 200.00	
2			
3			
4			
TOTAL DEPOSIT		\$ 200.00	

8127 COM 1294 4-65 100 BY

Trustee for Clients
Account

April 17, 1969

File

Herbert W. Kalmbach

On this date I received a check signed by C. C. Rabozo on behalf of the Florida for Nixon Committee which is the initial amount that I will deposit in the Security Pacific National Bank's office here in the Newport Center under a "Trustee for Clients" Account.

I am writing a confirming letter to John Ehrlichman this date, a copy of which is attached, which specifies the manner in which disbursements are to be made from this account.

April 17, 1969

Mr. John D. Ehrlichman
General Counsel
The White House
Washington, D. C.

Dear John:

Confirming our conversation of a few minutes ago, I am in the process of setting up a "Trustee for Clients" Account at Security Pacific National Bank's Newport Beach office here in the Newport Center. The initial deposit will be in the amount of \$216.18 which was received from Bebe this date. I will write checks to Jack Caulfield and whomever else you may authorize to receive payments at such time as I receive the additional funds.

I will post Jack a check drawn on this account in the amount of \$320 after I receive the additional deposit without again checking with you on the assumption that such disbursement is proper. A photocopy of Jack's letter of April 15th is enclosed.

No disbursements will be made from this account without your authorization.

Best regards,

Herbert W. Kalmbach

HWK:mrc
Enclosure

10871

LAW OFFICES

KALMBACH, DE MARCO, KNAPP & CHILLINGWORTH

MEMORANDUM

RE: Trustee for Clients
Account

Date: April 17, 1969

To: File

From: Herbert W. Kalmbach

On this date I received a check signed by C. G. Rabozo on behalf of the Florida for Nixon Committee which is the initial amount that I will deposit in the Security Pacific National Bank's office here in the Newport Center under a "Trustee for Clients" Account.

I am writing a confirming letter to John Ehrlichman this date, a copy of which is attached, which specifies the manner in which disbursements are to be made from this account.

HWS

April 22, 1969

Mr. C. G. Rebozo
Chairman and President
Key Biscayne Bank
Key Biscayne, Florida 33149

Dear Bebe:

This is to acknowledge receipt of your check in the amount of \$216.18 which has been deposited into a "Trustee for Clients Account" at the Security Pacific Bank branch here in our building.

Unless I hear from you to the contrary, I'm assuming that you have talked to John Ehrlichman and that I am to wait for an additional check before making payment on the \$320 statement that has been received.

Please let me know if you have any questions or if there is any way in which I may be of further assistance.

Best regards,

Herbert W. Kalmbach

HWK:marc

*C. G. Rebozo*PAT. SECURING FIRM. FORMING
NEW DISCOUNT, PLACIDA BOND

April 28, 1969

RECEIVED

APR 30 1969

KALMBACH, DEMARCO,
KNAPP & CHILLINGWORTH
LAW OFFICES

Mr. Herbert W. Kalmbach
 Kalmbach, Demarco, Knapp & Chillingworth
 Suite 900 Newport Financial Plaza
 550 Newport Center Drive
 Newport Beach, California 92660

Dear Herb:

Enclosed find an additional check in the amount
 of \$200.00. This will at least take care of the
 \$320.00 statement which you now have.

Over the weekend, I spoke with John Ehrlichman
 and explained to him that it had been decided that
 the larger balance which I mentioned to you will be
 kept here in order to take care of frequent adminis-
 tration-connected costs which arise from time to time.
 Let me know, if you need more help.

Thank you very much.

Sincerely,

C. G. Rebozo

CGR:lh

Enclosure

May 1, 1969

Mr. C. G. Rebozo
Key Biscayne Bank Building
Key Biscayne, Florida 33149

Dear Bebe:

The additional check in the amount of \$200 has been received and has been deposited in a Trustee for Clients Account. I'm now in a position where I can write a check on that account to cover the \$320 statement.

Hopefully, I'll be seeing you on Wednesday night of next week at the Victory Dinner. If not, I'll hope to see you out here in California before too long.

Best regards,

Herbert W. Kalmbach

HWK:mrc

Mr. Kalmbach: Is there any reason why we have to keep the attached Trustee account open. It has been inactive since May of 1969? Please advise.

081-406
 Sue - call Paul (Anne Lynch)
 + see if I am on this acct. - H.W.K. Trustee
 maybe its only Mr. K. mrc
 No 8/14

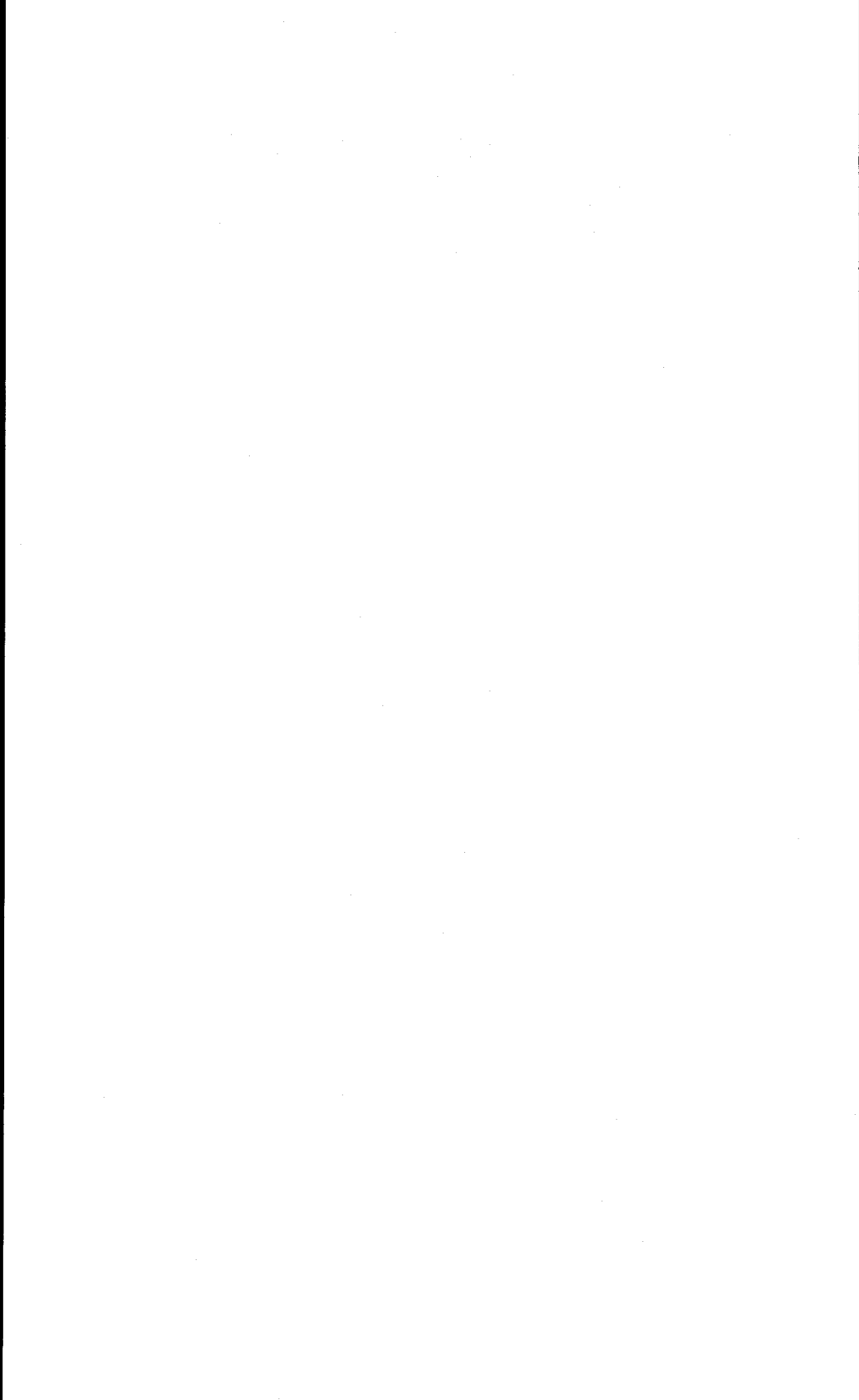
HERBERT W. KALMBACH,
 TRUSTEE FOR CLIENTS ACCOUNT

Account No. 81-406

The Executive



DATE	CHECK ISSUED TO	IN PAYMENT OF	AMOUNT OF CHECK	DATE OF DEPOSIT	AMOUNT OF DEPOSIT
1969					
	from Mr. Robert H. Haines			4/18	216.18
	Chambers, Waterfield - Income Acct.			5/1	200.00
5/2	Jack Paulfield	expenses	320.00		96
5/1	charge for checks		51.62		41
	balanced 5/26/69 mrc				
	balanced 10/3/69				
	reconciled 4/28/70 mrc				



TUESDAY, MAY 7, 1974

**U.S. SENATE,
SELECT COMMITTEE ON
PRESIDENTIAL CAMPAIGN ACTIVITIES,
Washington, D.C.**

The Select Committee met, pursuant to notice, at 10:10 a.m., in room S-143, the Capitol.

Present: Senators Weicker and Baker.

Also present: Terry Lenzner, assistant chief counsel; Robert Silverstein and Richard L. Schultz, assistant minority counsels; Scott Armstrong, investigator; Emily Sheketoff, research assistant.

Mr. LENZNER. This is a continuation of the executive session begun on April 10, 1974, when the witness was sworn by Senator Ervin.

You understand, Mr. Buzhardt, that you continue to testify under oath?

TESTIMONY OF J. FREDERICK BUZHARDT

Mr. BUZHARDT. Yes.

Mr. LENZNER. Mr. Buzhardt, have you ever had a discussion with Mr. Charles G. Rebozo with regard to his receipt of \$100,000 in cash from the representatives of the Hughes Tool Co.?

Mr. BUZHARDT. No.

Mr. LENZNER. Have you ever had such a discussion with regard to that subject?

Mr. BUZHARDT. No.

Mr. LENZNER. Now, you testified on April 10 that you did see Mr. Rebozo at a dinner in October 1973. Do you recall where that dinner was?

Mr. BUZHARDT. Yes. It was in Key Biscayne.

Mr. LENZNER. And do you recall who was there?

Mr. BUZHARDT. Most of them, I think.

Mr. LENZNER. Was it a large gathering?

Mr. BUZHARDT. About 20, 25, people, I would imagine.

Mr. LENZNER. With the President?

Mr. BUZHARDT. Yes.

Mr. LENZNER. And was there any discussion that evening with regard to the receipt by Mr. Rebozo of \$100,000, discussion between you or others?

Mr. BUZHARDT. No.

Mr. LENZNER. That you ever heard?

Mr. BUZHARDT. Not that I heard.

Mr. LENZNER. Do you remember the date of that dinner?

Mr. BUZHARDT. No. It was in the fall but I don't remember when it was.

Mr. LENZNER. Do you have any objection to supplying us with the date of that dinner, if you have it in your records, at a later time?

Mr. BUZHARDT. Yes. I am sure I do.

Mr. LENZNER. And you will supply it for the records?

Mr. BUZHARDT. Yes.

Mr. LENZNER. Have you had any duties with regard to the question of the \$100,000 in cash receipts by Mr. Charles G. Rebozo from the Hughes Tool Co.?

Mr. BUZHARDT. At one time I received—the only time I remember anything in connection with this, I received a request from Mr. Kenneth Gemmill to see if I could get some answers to some questions for an Internal Revenue agent. I believe that pertained to this, from Miss Rose Mary Woods. I think you submitted to me a list of questions which I provided to Miss Woods. Miss Woods gave me the answers. I drafted a letter for her to a Revenue agent or somebody with the IRS, and I believe it was Jacksonville, Fla., but I do not recall for sure. That is the only thing I recall doing with respect to this at all.

Mr. LENZNER. Now, is that the first—

Mr. BUZHARDT. Excuse me, sir—any duties I ever had with it.

Mr. LENZNER. Did you know Mr. Gemmill prior to the time that—did you know Mr. Gemmill prior to that time?

Mr. BUZHARDT. I don't know whether I had actually met Mr. Gemmill at that time or not. I met him sometime last year for the first time. I did not know Mr. Gemmill.

Mr. LENZNER. And how did he communicate with you with regard to this?

Mr. BUZHARDT. I don't recall whether he called me on the telephone—that is my recollection, that he called me on the telephone, to the best of my recollection.

Mr. LENZNER. At the time he called you, were you not aware of the fact that he was also representing President Nixon with regard to some of his legal problems?

Mr. BUZHARDT. I may have been. I don't recall precisely when I first knew Mr. Gemmill.

Senator WEICKER. Well, how did Mr. Gemmill present himself to you or talk to you—in what capacity?

Mr. BUZHARDT. Mr. Gemmill—and there were newspapers about that time, Senator Weicker, about Mr. Rebozo's IRS investigation—and Mr. Gemmill said that he had received a request, and I assumed he was acting for Mr. Rebozo, received a request from the IRS agent to get certain questions answered by Miss Woods. He gave me the questions and asked me if I would see if I could obtain an answer. It should be mailed directly to the IRS agent, which I did.

Senator WEICKER. Well, did you consult, in other words, having received that request from Mr. Gemmill, who did you consult with as to whether or not you should honor this request—anyone?

Mr. BUZHARDT. Miss Woods.

Senator WEICKER. Were you the attorney for Miss Woods?

Mr. BUZHARDT. No; I was merely—we had a lot of legal matters at the White House, as you know. I was requested to give assistance, to

contact Miss Woods and see if she would provide some answers to questions to the IRS. That is precisely what I did. I showed her the questions, got the answers, put them in letter form for her, and sent them along.

Senator WEICKER. Am I to understand that then you communicated Mr. Gemmill's request directly to Miss Woods, and to no one else?

Mr. BUZHARDT. I don't recall talking to anybody else about it.

Senator WEICKER. Did you talk with General Haig?

Mr. BUZHARDT. I may have mentioned it to General Haig. I don't recall whether I did or not, Senator Weicker.

Senator WEICKER. Or to the President?

Mr. BUZHARDT. No. I am sure that I didn't talk to the President about it. I don't have any recall talking to him about it.

Mr. LENZNER. Well, prior to this time did you ever have discussions or hear discussions or become aware of the fact that Mr. Gemmill was, in fact, representing Mr. Rebozo?

Mr. BUZHARDT. Probably; I don't remember the occasion, but I probably was aware. And I don't really recall. It didn't make a big impression.

Mr. LENZNER. Well, do you have any recollection of having specific discussions with other individuals with regard to Mr. Gemmill representing Mr. Rebozo prior to the time Mr. Gemmill called you?

Mr. BUZHARDT. No; I have no recollection of it. I may have been, but I don't recall any of it. It didn't make an impression.

Mr. LENZNER. Do you have a recollection of ever having a discussion with Mr. Leonard Garment with regard to representation of Mr. Rebozo?

Mr. BUZHARDT. Yes, I had. I recall having a conversation with Mr. Garment, but that related to whether anybody—any of the White House counsel could give advice to Mr. Rebozo. I think we discussed that the last time.

Mr. LENZNER. Yes; and that was the occasion, was it not, sir, when Mr. Rebozo apparently requested Mr. Garment or other people at the White House to represent him?

Mr. BUZHARDT. I don't know that he requested them. I just remember the question coming up of whether it would be appropriate for anyone at the White House to give advice to Mr. Rebozo.

Mr. LENZNER. Well, with regard to that, do you recall what issue would be pertinent to Mr. Rebozo's legal problem that would make it appropriate for White House lawyers to represent him?

Mr. BUZHARDT. No. I never knew of any of Mr. Rebozo's problems that would make it appropriate for White House lawyers to represent him. It didn't matter what they were.

Mr. LENZNER. Did you ever discuss with President Nixon the question of Mr. Gemmill representing Mr. Rebozo?

Mr. BUZHARDT. No.

Mr. LENZNER. And do you know if discussions were held between President Nixon and other individuals at the White House with regard to that question?

Mr. BUZHARDT. No, I didn't; no.

Senator WEICKER. What time period, Counsel? What time are we talking about here?

Mr. LENZNER. Well, this would be beginning on or about January 1, 1973, to the present.

Senator WEICKER. But, as to specifically the conversation between Mr. Gemmill and you, Mr. Buzhardt, when did that take place?

Mr. BUZHARDT. I don't recall, Senator Weicker. It seems to me it was perhaps in the late fall, but I don't have—it is not something I remember.

Senator WEICKER. Late fall 1973?

Mr. BUZHARDT. Perhaps. And I just don't recall when.

Senator WEICKER. Did Miss Woods have Mr. Ryan as her attorney at that time?

Mr. BUZHARDT. No, I don't believe she did. If she did, I wasn't aware of it.

Mr. LENZNER. Now, when Mr. Gemmill called you, Mr. Buzhardt, exactly what did he say to you in terms of what he wanted from Miss Rose Mary Woods?

Mr. BUZHARDT. I don't remember the conversation. I remember there were questions, somehow he provided me with the questions that were asked, that the Internal Revenue wanted answered. I don't even remember what the questions were.

Mr. LENZNER. Do you remember what the subject was?

Mr. BUZHARDT. It seems to me the subject was about whether Miss Woods had had a conversation with Mr. Rebozo.

Mr. LENZNER. With regard to what?

Mr. BUZHARDT. Well, now, I don't recall this, but I assume from subsequent matters that I have seen in the newspapers that it was about whether he had ever discussed with her the \$100,000.

Mr. LENZNER. But you have no recollection at the present time that that was the subject matter of the telephonic communication between you and Mr. Gemmill?

Mr. BUZHARDT. No. I remember he had some questions he wanted answered for the IRS, or the IRS wanted answered.

Mr. LENZNER. And did you take notes of those questions?

Mr. BUZHARDT. I don't recall whether I took notes or whether he supplied me subsequently with a piece of paper with questions on it.

Mr. LENZNER. Well, have you received documents on occasion, or correspondence, from Mr. Gemmill?

Mr. BUZHARDT. Correspondence from Mr. Gemmill? No.

Mr. LENZNER. Correspondence or documentation of any kind?

Mr. BUZHARDT. No, not to my recollection; I haven't received any from Mr. Gemmill.

Mr. LENZNER. So the answer would be he did not furnish you with a list of questions in writing?

Mr. BUZHARDT. I just told you I don't recall whether he read the questions to me over the phone or he sent me a list of the questions.

Mr. LENZNER. Well, have you ever received anything in the mail, or hand-delivered, from Mr. Gemmill?

Mr. BUZHARDT. Yes, I am sure I have received something hand-delivered from Mr. Gemmill.

Mr. LENZNER. When was that?

Mr. BUZHARDT. That—it is not related to this matter.

Mr. LENZNER. But when was it?

Mr. BUZHARDT. I don't recall when it was.

Mr. LENZNER. But you do recall receiving specifically some documents hand-delivered to you at the White House from Mr. Gemmill?

Mr. BUZHARDT. I have received documents that came from Mr. Gemmill, yes.

Mr. LENZNER. Relating to what issue?

Mr. BUZHARDT. Not related to this issue. Related to the President's taxes.

Mr. LENZNER. And that would be in Mr. Gemmill's representation of the President?

Mr. BUZHARDT. Yes; that is correct.

Mr. LENZNER. And do you know how soon after you had your telephonic communication with Mr. Gemmill that you received those documents?

Mr. BUZHARDT. No, I do not.

Mr. LENZNER. And what did you do after you got the questions that Mr. Gemmill said the IRS wanted answered?

Mr. BUZHARDT. As I just told you, Mr. Lenzner, I contacted Miss Woods.

Mr. LENZNER. Well, did you see her in person or by telephone?

Mr. BUZHARDT. I don't recall whether I saw her in person or by telephone.

Mr. LENZNER. What did you do when you talked to Miss Woods?

Mr. BUZHARDT. I discussed the questions with her and I asked her what the answers were and would she answer them for the IRS. And she said, "yes." She gave the information and I prepared the letter for her as I recall, or a draft, and sent it over to her. And, as I recall, she sent it back to me and I mailed it. I think, as I recall, I sent her the draft and I sent an envelope addressed to the IRS agent, to the best of my recollection.

Mr. LENZNER. When you went over the questions with her, did she furnish the answers orally or in writing?

Mr. BUZHARDT. I don't recall.

Mr. LENZNER. When you had the letter prepared, did you dictate the letter?

Mr. BUZHARDT. I don't recall. I don't know whether I dictated it or wrote it out.

Mr. LENZNER. Do you recall who typed it?

Mr. BUZHARDT. No, I do not.

Mr. LENZNER. And you say you sent a draft over to Miss Woods and she looked at it?

Mr. BUZHARDT. I sent a draft over. It was in finished form.

Mr. LENZNER. And she—

Mr. BUZHARDT. Whether she—I don't remember whether she changed it or signed it like it was. But, I recall the letter was sent.

Mr. LENZNER. Do you have a recollection now of whether the letter that you prepared for Miss Woods, after you got her answers, was signed by her and then sent by you?

Mr. BUZHARDT. Yes. I don't recall whether she changed it or not, but I recall that it was sent.

Mr. LENZNER. Do you recall whether you changed anything on the letter?

Mr. BUZHARDT. I don't recall whether I changed anything on the letter, whether it was sent like it was in the first draft.

Mr. LENZNER. Do you have—did you retain any notes or copies of the letters that you sent, or drafted, with regard to this matter?

Mr. BUZHARDT. I know I didn't retain any notes. There might be a copy of the letter.

Mr. LENZNER. Are you not aware, Mr. Buzhardt, of the fact that a letter was prepared, and after it was typed and signed, that you left with the letter and made some changes on the letter and then had to have it retyped because of the changes that you made on the letter?

Mr. BUZHARDT. No. It may have happened, but I don't—

Mr. LENZNER. You are saying that you don't recall that happening?

Mr. BUZHARDT. No; I don't recall that happening.

Mr. LENZNER. Now, between the time that the letter was typed and the time it was sent, did you contact or communicate with any other individual with regard to the contents of the letter?

Mr. BUZHARDT. I don't recall.

Mr. LENZNER. So, but it is possible that you did talk with other people about the substance of the letter?

Mr. BUZHARDT. It is possible, yes.

Mr. LENZNER. Do you have any recollection of ever talking with Mr. Charles G. Rebozo with regard to the substance or contents of the letter before it was sent?

Mr. BUZHARDT. No; I have no such recollection.

Mr. LENZNER. Do you have any recollection of ever talking or discussing subsequently the contents of the letter with Mr. William Frates or any representative of his law firm before it was sent?

Mr. BUZHARDT. No; I do not.

Senator WEICKER. I am not quite clear on one point, and that is, whether or not the questions which you have propounded to Miss Woods were a matter of notes, which you took down in the course of the telephone conversation, or whether, indeed, you had correspondence from Mr. Gemmill with you?

Mr. BUZHARDT. I don't recall, Senator Weicker. I don't have the foggiest idea.

Senator WEICKER. Would any such—if there were such a letter, and you have indicated that there could be, would you have that in your file?

Mr. BUZHARDT. I think it highly unlikely. I haven't searched for it. There might be a copy of the letter somewhere in the files.

Senator WEICKER. The letter from Miss Woods to the IRS?

Mr. BUZHARDT. That is right.

Senator WEICKER. But you don't think there is a copy of any letter from Mr. Gemmill to you, propounding the questions to Miss Woods?

Mr. BUZHARDT. I don't recall getting a letter from him. I think if I had gotten a letter, I would recall that.

Senator WEICKER. Well, I am not saying that you did, but you said that you might have.

Mr. BUZHARDT. I said I might have gotten the questions in writing somehow or he may have given them to me on the phone. I just don't recall. The incident did not seem to have any significant proportions to me at the time.

Mr. LENZNER. Can you supply us, Mr. Buzhardt, with whatever documentation you retain in your files associated with the preparation and mailing of this letter?

Mr. BUZHARDT. I will be glad to look.

Mr. LENZNER. Now, have you had an occasion to look through your files to determine if you do have any notes or copies of these letters prior to the time that you came up here on April 10, 1974, or today, for that matter?

Mr. BUZHARDT. No.

Mr. LENZNER. Did you have occasion since January 1, 1973, to have any communication or contact with any member of the Internal Revenue Service with regard to the receipt of \$100,000 by Charles G. Rebozo from the Hughes Tool Co.?

Mr. BUZHARDT. No. Unless this is the—this letter was to somebody in the Internal Revenue Service.

Mr. LENZNER. But aside from this letter?

Mr. BUZHARDT. No, I don't recall having any discussion with the IRS.

Mr. LENZNER. Can you look at this letter, Mr. Buzhardt, and tell me if you can identify that document?

Mr. BUZHARDT. I don't have any specific recollection of it. It could well be the letter that we have been discussing here, but I don't have any independent recollection of it.

Mr. LENZNER. Do you have any recollection of how soon after you learned from Mr. Gemmill of his request that you talked to Miss Woods?

Mr. BUZHARDT. No.

Mr. LENZNER. Was it a day, 2 days, a week?

Mr. BUZHARDT. I don't have any idea.

Mr. LENZNER. You don't know if it was the same date that you heard from Mr. Gemmill?

Mr. BUZHARDT. No. I think that that is probably unlikely, but it is possible.

Mr. LENZNER. Now, that letter is dated October 18, 1973.* Do you have any recollection of how long prior to October 18, 1973, you talked to Mr. Gemmill with regard to this request?

Mr. BUZHARDT. No.

Mr. LENZNER. Did you talk to Mr. Gemmill after you talked with Miss Woods about her responses to the questions that you had propounded?

Mr. BUZHARDT. I don't recall whether I did or didn't.

Mr. LENZNER. And what is your understanding? That these questions were propounded on behalf of the IRS, but were being submitted by the taxpayers' attorney; is that correct?

Mr. BUZHARDT. Yes. It was my understanding that the IRS wanted a letter addressing the questions.

Mr. LENZNER. But was it your understanding—

Mr. BUZHARDT. And they were communicated to me by Mr. Gemmill.

Mr. LENZNER. Was there any request to interview Miss Woods, to your knowledge?

*Previously entered as Woods exhibit No. 1, Book 22, p. 10283.

Mr. BUZHARDT. There may have been; I don't recall.

Mr. LENZNER. Do you have any recollection of having a conversation with regard to the question of interviewing Miss Woods by the IRS at any time?

Mr. BUZHARDT. No, I don't recall it, and it could well have been. There were a number of people from time to time that made requests to interview Miss Woods on a number of matters.

Mr. LENZNER. I am talking now specifically of the Internal Revenue Service requesting to interview Miss Woods with regard to the receipt of \$100,000 by Mr. Rebozo.

Mr. BUZHARDT. I don't recall it, but it may have been.

Mr. LENZNER. But do you have any recollection of any conversation about Miss Woods responding in writing to questions but not allowing her to be interviewed by the IRS with regard to this matter?

Mr. BUZHARDT. No, I don't recall it.

Mr. LENZNER. Now, looking at that letter, do you have any recollection of whether any changes were made in the substance, content, or body of that letter, prior to the time it was sent; and, if so, which changes were made?

Mr. BUZHARDT. No, I don't. This could well be the letter. It didn't refresh my recollection.

Mr. LENZNER. Did you furnish a copy of that letter to any other individual?

Mr. BUZHARDT. I do not know.

Mr. LENZNER. Did you send a copy of it to Mr. Gemmill, Mr. Rebozo, or any attorney or representative of either of those individuals?

Mr. BUZHARDT. I don't recall whether I did or not.

Mr. LENZNER. Did you furnish a copy of that letter to anybody else employed at the White House, including the President?

Mr. BUZHARDT. Not to my recollection; no.

Mr. LENZNER. Did you discuss it with General Haig, Mr. Garment, Mr. Ziegler, or any other individual employed at the White House?

Mr. BUZHARDT. I don't recall; I may have.

Senator WEICKER. As a matter of procedure, since yours is a rather precise profession that deals with precision, in your capacity as an attorney down at the White House; would you keep specific files on these matters as they arose relative to the various individuals? Wouldn't it certainly have been in the interest of the White House to have a clear record of what activity you engaged in on their behalf?

Mr. BUZHARDT. If it were something of significance to some business that we were conducting, probably so. I am sure that whatever letter went, Miss Woods had a copy of it. It was not a matter of significance to my office. But, it was not a matter that we were really involved in. We get many passing requests of various and sundry kinds, and certainly I don't open a file on all of them, by any means.

Senator WEICKER. You have indicated to me that this matter of the \$100,000 contribution was of no importance to the counsel to the President?

Mr. BUZHARDT. It was certainly not to me; it was certainly not anything that I have any responsibility to deal with, or that was ever indicated to me I should have any concern with.

Senator WEICKER. Do you think that in your capacity—in other words, had it ever occurred to you at any time that in the interest of protecting, or representing your client, the President, that any communications that came to you, that a written record should be made of them?

Mr. BUZHARDT. No, Senator, not by any means. There are many things that pass that are not of significance to keep a written record of.

Senator WEICKER. So in October of 1973, Mr. Rebozo's \$100,000 contribution was not of particular significance to the counsel to the President; is that correct?

Mr. BUZHARDT. Certainly not to me; no.

Senator WEICKER. Go ahead.

Mr. LENZNER. Thank you, Senator. In regard to Woods exhibit 1 in front of you, Mr. Buzhardt, I want to make sure that we have the record clear on this. Do you have any recollection of taking a document that you had had typed in to Miss Woods for her signature and handing her the document for her signature?

Mr. BUZHARDT. No; I don't have any specific recollection of it. I am sure I somehow took it—got it to Miss Woods. I know I recall doing a draft for her of a letter.

Mr. LENZNER. When you say a draft, was that a letter in final form, or was it a draft?

Mr. BUZHARDT. It was probably typed in final form.

Mr. LENZNER. Ready for signature?

Mr. BUZHARDT. But it was sent over to her for her approval, or change, or whatever.

Mr. LENZNER. And do you have any recollection of receiving that document back in your possession?

Mr. BUZHARDT. No. I don't have any specific recollection of whether I received that document, or changed the document, or what.

Mr. LENZNER. Well, the piece of paper that you sent over to Miss Woods is what I am trying to get at. Do you have any recollection today of getting that paper back with her signature on it, or with changes on it?

Mr. BUZHARDT. No, I don't.

Mr. LENZNER. So, you have no recollection of ever receiving the document again after you sent it to Miss Woods or had it delivered to her?

Mr. BUZHARDT. No. I recall that whatever went out finally, I think I can somehow picture in my mind a letter with an envelope attached to it. So, I think I must have gotten the copy that went out back, and probably mailed it from my office, because I remember seeing an envelope attached. So, whatever letter went out—

Mr. LENZNER. And it was sent back to you?

Mr. BUZHARDT. And it is probable that it was mailed from my office, so I think something must have been sent back to me to send out.

Mr. LENZNER. Now, is there any reason why it was sent back to your office in view of the fact that it was a letter from Miss Woods to the IRS?

Mr. BUZHARDT. No. I can think of no particular reason.

Mr. LENZNER. Was that done pursuant to your instructions or request?

Mr. BUZHARDT. I don't recall whether it was or wasn't.

Mr. LENZNER. Did you request to see the document or the letter before it was sent to the IRS?

Mr. BUZHARDT. I don't remember specifically. I don't have any recollection of it.

Mr. LENZNER. Now, do you have a recollection of receiving a document back, a letter back, that you had drafted with Miss Woods' signature on it, looking at the document, reading it, and making changes yourself on the letter?

Mr. BUZHARDT. No.

Mr. LENZNER. And then having it retyped?

Mr. BUZHARDT. No, I have no recollection of that.

Mr. LENZNER. And if you did that, Mr. Buzhardt, is it not likely, if not a certainty, that you would remember making changes yourself on a letter that was to be signed by Miss Woods?

Mr. BUZHARDT. Well, I don't have a recollection of it, Mr. Lenzner. I am sure I wouldn't have made changes unless there was some outside input because I didn't know anything about the matter. I had no idea what the answers to the questions were, so I would have had to have some input from outside, if I made changes. They had to come from Miss Woods. They couldn't have come from me because I had no earthly idea about the matter, one way or the other.

Mr. LENZNER. Well, did you have an outside input from anybody else besides Miss Woods?

Mr. BUZHARDT. No, I certainly don't recall any.

Mr. LENZNER. Are you saying—

Mr. BUZHARDT. I don't recall even discussing with anybody else after I got the request from Mr. Gemmill. I don't know how he gave me the request, but I remember I got some questions. It seems to me there were two or three or four of them. I don't recall what they were.

Mr. LENZNER. Now, looking at the letter, can you recall what any of the questions were?

Mr. BUZHARDT. No. I am not even sure I recall from the letter. I have assumed recently, because I didn't recall it, that the question was about whether they had a conversation and what the conversation was about that they had, but that is all I recall about the matter.

Senator WEICKER. I wonder if, at this time—I think in the interest of fairness, there is no point in beating around the bush. Does counsel have some basis for pursuing this line of questioning and, if so, I think you should let either Mr. Buzhardt or myself, or both, know what it is.

Mr. LENZNER. Well, we have testimony under oath, Senator, by another witness.

Senator WEICKER. The idea is not to entrap anybody. It is to get all of the facts. Now, if you can be of assistance in refreshing Mr. Buzhardt's recollection—

Mr. BUZHARDT. I will be glad to tell you anything I know about it. I am sorry, but I don't remember it. But it was just not a thing that assumed great importance to my mind at the time.

Mr. LENZNER. We have testimony under oath, Senator, that Mr. Buzhardt brought in a letter that Miss Woods signed. Mr. Buzhardt left with the letter, left the room physically, made changes on the

letter, took the letter back to Miss Woods and had it retyped and had it re-signed. In other words, there were two different letters. One that was originally taken in, based on Miss Woods' answers to Mr. Buzhardt's questions. That was typed up. Changes were made on that letter after Miss Woods signed it and it was retyped, and signed, and that is what I am trying to get at.

Senator WEICKER. All right. Fair enough. You have testimony to this effect.

Mr. LENZNER. Under oath.

Senator WEICKER. Mr. Buzhardt, does that help you in any way to refresh your recollection?

Mr. BUZHARDT. No. I had understood from Mr. Lenzner's line of questions that he must have had some testimony that the letter was changed.

Senator WEICKER. And that is what he says, that he does.

Mr. BUZHARDT. He does and, you know, it just doesn't help me. It may have happened. I don't know.

Mr. LENZNER. Now, in the third paragraph of the letter, Mr. Buzhardt, it reads: "I would further like to state that at no time did I ever discuss this matter with any other individual." Now do you recall whether that was a question propounded by Mr. Gemmill, or was that something that you added at your own volition?

Mr. BUZHARDT. I do not recall, Mr. Lenzner. I don't recall what his questions were.

Mr. LENZNER. Do you recall asking Miss Woods if she ever discussed this matter with anybody else at the White House or with the President?

Mr. BUZHARDT. No, I don't.

Mr. LENZNER. Can you recall whether you placed any importance on the question of whether the President's secretary and executive assistance had discussed the receipt by Mr. Rebozo of \$100,000 with the President?

Mr. BUZHARDT. No. At the time—

Mr. LENZNER. At the time you say that would not have played any important role at all in your mind?

Mr. BUZHARDT. It would now, I am sure. I think—but, I don't recall whether even—I don't even recall what my state of knowledge about this thing was at the time. I don't know what was in the papers.

Mr. LENZNER. Mr. Gemmill did explain to you telephonically, at least, Mr. Buzhardt, that the Internal Revenue Service was conducting an IRS investigation of Mr. Rebozo?

Mr. BUZHARDT. He either explained it to me or it had come to my attention by some other means. I am sure I must have known at that time because he wanted—obviously, if it was going to be addressed to the IRS and it concerned Mr. Rebozo, they were interested. I practiced tax laws so I am not naive about these things. I would have known that the Internal Revenue was making an audit or some kind of an investigation.

Mr. LENZNER. And that it involved the receipt by Mr. Rebozo of \$100,000 in cash? Did he not also advise you of that?

Mr. BUZHARDT. He may well have, or I may have already been aware of it, Mr. Lenzner. I don't recall how much he told me, how much I already knew from public sources or what.

Mr. LENZNER. Now, since that time you say that you have not ever had occasion to go back to your files to review the documentation related to this incident?

Mr. BUZHARDT. No.

Mr. LENZNER. All right, sir.

Mr. BUZHARDT. I don't have any recall of going back to my files on this thing.

Mr. LENZNER. Now, on or about the same date as this letter, do you recall having any discussion with any other individual with regard to the initiation by Special Prosecutor Cox of an investigation into the receipt by Mr. Charles G. Rebozo of \$100,000 from the Hughes Tool Co.?

Mr. BUZHARDT. No.

Mr. LENZNER. Have you at any time become aware of the fact, aside from the news media, that Mr. Cox had initiated an investigation into this matter?

Mr. BUZHARDT. I may have been; I don't recall it.

Mr. LENZNER. Do you have any recollection of ever discussing that issue, the issue of the Cox investigation of the Rebozo receipt of \$100,000, with General Haig?

Mr. BUZHARDT. No; I don't recall it.

Mr. LENZNER. Were you aware of the fact that General Haig placed a call on the same date, October 18, 1973, to Mr. Elliot Richardson, then Attorney-General, to advise him that the President was upset that Special Prosecutor Cox was investigating Mr. Rebozo's receipt of \$100,000?

Mr. BUZHARDT. I may have been aware. I don't think I would have been aware that he made a telephone call, but I may have been aware that Mr. Cox was reputed to have been investigating. I just don't recall at this time whether I knew that, or didn't know it.

Mr. LENZNER. Well, do you have any recollection of talking about that with General Haig at any time?

Mr. BUZHARDT. No. I have no recollection.

Mr. LENZNER. At no time?

Mr. BUZHARDT. Not until the last few days. Not until the last few days. I think you mentioned something about one of the questions he was asked, or something, about it.

Mr. LENZNER. That was after——

Mr. BUZHARDT. He brought up that there was a question of talking to then-Attorney-General Elliot Richardson about this.

Mr. LENZNER. And you are saying that is the first time you ever discussed it with General Haig?

Mr. BUZHARDT. The first time I ever recall discussing it with General Haig. I discussed it with him then.

Mr. LENZNER. You mean a few days ago?

Mr. BUZHARDT. Yes.

Mr. LENZNER. And what did you say when he brought it up?

Mr. BUZHARDT. I think it was brought up in the form of the question as to whether I ever recalled any discussion with Elliot Richardson. I said "No."

Mr. LENZNER. Who else was present at this discussion?

Mr. BUZHARDT. I don't think anybody else was.

Mr. LENZNER. Well, why don't you give us the substance of that conversation that you had with General Haig after his appearance up here?

Mr. BUZHARDT. Well, he said there was something raised about a discussion with Elliot Richardson in the period preceding the firing of Mr. Cox; and I believe he characterized it. He said they have the hairbrain fantasy that this matter has something to do with the firing of Mr. Cox. "Do you ever recall discussing it with Elliot Richardson?" and I said, "No," because I didn't.

Mr. LENZNER. Well, did General Haig recall discussing it with Mr. Richardson?

Mr. BUZHARDT. I don't recall. He said he may have—let's see, it was something about a telephone conversation. I don't know whether he said he had a telephone conversation or that you had said that he had a telephone conversation or whatever.

Mr. LENZNER. Mr. Buzhardt, did General Haig, several days ago, confirm or deny that he had a telephone call with Attorney General Richardson with regard to Cox's investigation of Rebozo?

Mr. BUZHARDT. I don't recall what he said about it. I don't know whether he said he had a telephone conversation or that you told him he had a telephone conversation.

Mr. LENZNER. So the answer is you don't recall what he said?

Mr. BUZHARDT. No, I don't recall.

Mr. LENZNER. And when was this conversation, specifically, that you had with General Haig?

Mr. BUZHARDT. I don't even recall when that was. It was in the past several days.

Senator WEICKER. At what time did this matter become of concern to you or those associated with you? I now am talking about the Rebozo \$100,000 contribution. You testified that as of the fall of 1973 this just was not something that you were involved with, and was not of any particular concern. At what time has this become of concern?

Mr. BUZHARDT. Senator, it is still not a concern to me. It might be to the people in the PR business that have to deal with all of the leaks from this committee. But it sure isn't a concern for me. I don't know anything to substantiate it or anything about the facts.

Senator WEICKER. So, the matter of the \$100,000 contribution is not a matter of concern to the attorneys to the President?

Mr. BUZHARDT. Well, it is not to this attorney to the President.

Mr. LENZNER. Do you know of anybody at the White House who is presently assigned to monitor the investigations that are going on with regard to the \$100,000 received by Mr. Rebozo?

Mr. BUZHARDT. No, I do not.

Mr. LENZNER. So the answer is nobody, to your knowledge, is assigned to that?

Mr. BUZHARDT. No.

Mr. LENZNER. Now, when was the last time you had a discussion or a meeting with regard to the subject of the \$100,000, the investigation of the receipt of \$100,000 by Mr. Rebozo?

Mr. BUZHARDT. I don't know that I have ever had a meeting, Mr. Lenzner. I am sure the conversation of your investigation has come

up from time to time in conversations, but I don't recall ever having a meeting on it.

Mr. LENZNER. Now, General Haig was up here Thursday and you had a conversation sometime since Thursday with General Haig with regard to the questions propounded to him at that time; is that correct?

Mr. BUZHARDT. I sure did.

Mr. LENZNER. And do you recall physically where that was?

Mr. BUZHARDT. Yes. In General Haig's office.

Mr. LENZNER. And do you recall whether anybody else was present?

Mr. BUZHARDT. No, I don't.

Mr. LENZNER. Do you recall what day of the week it was?

Mr. BUZHARDT. No, I don't.

Mr. LENZNER. Do you recall whether it was over the weekend?

Mr. BUZHARDT. Yes. I think it was—I don't know whatever day he was here—it was when he received the wire service story that came out that afternoon.

Mr. LENZNER. What did he say?

Mr. BUZHARDT. We discussed what should be done about the deplorable situation of the character of the story that was given, assumedly by this committee, or some member of the committee to the wire services, and what action should be taken.

Mr. LENZNER. And what actions did you recommend?

Mr. BUZHARDT. I don't know that I recommended an action at all.

Mr. LENZNER. And what—

Mr. BUZHARDT. A decision was made. I think General Haig made a decision to write Senator Ervin a letter, to the best of my recollection. I don't know whether he did or not.

Senator WEICKER. What story is this that is being referred to?

Mr. BUZHARDT. It was the report of General Haig's appearance here, Senator Weicker. It was carried, I believe it was on UPI wire story, and I don't know that it was ever printed, but it was certainly put out on the wire service.

Senator WEICKER. And what story was this? I am not familiar with it. I don't recall anything happening.

Mr. BUZHARDT. The story said, in effect, and I couldn't recite it, that General Haig appeared.

Senator WEICKER. Right.

Mr. BUZHARDT. And refused to answer over 100 questions and then it listed some of the questions. It was a very distorted story. It did not say that General Haig had no choice in the matter, that he was directed by the President not to testify on executive privilege, and on the grounds of executive privilege. It recited the question as if General Haig was concealing some knowledge of criminal activity. It was a very bad story.

Senator WEICKER. And you are attributing this story to this committee?

Mr. BUZHARDT. I assume that that is where it came from. I am quite sure that General Haig didn't release it, or Mr. St. Clair. There would have been no purpose. I don't believe that there was anybody else here except somebody representing the committee.

Senator WEICKER. As far as I know, the letter from the President to General Haig was a matter, at least probably between the Presi-

dent's counsel, Mr. St. Clair, and as far as the procedure of the committee is concerned, I want the record to show that several questions were asked, and, quite frankly, the back and forth between the counsel, Mr. St. Clair, and the committee, was cordial and proper.

Mr. BUZHARDT. The story did not reflect that, Senator Weicker.

Senator WEICKER. We are not the press; we are a senatorial committee.

Mr. BUZHARDT. Yes, sir.

Mr. LENZNER. Were any of the other questions discussed with General Haig and you other than the call allegedly made by General Haig to Mr. Richardson?

Mr. BUZHARDT. There was a discussion, I believe, of the questions that were asked by you, Mr. Lenzner, or somebody at the committee. I don't recall what they were. But they were reflected to some extent in the wire service story.

Mr. LENZNER. And did General Haig indicate that he had any information, or any discussion with regard to this matter prior to the time he came to the committee?

Mr. BUZHARDT. No.

Mr. LENZNER. And was any effort made to determine whether General Haig had, in fact, called Elliot Richardson with regard to the investigation by Mr. Cox into the \$100,000 received by Mr. Rebozo, to your knowledge?

Mr. BUZHARDT. Not to my knowledge; no.

Mr. LENZNER. Do you know if anybody else—

Mr. BUZHARDT. No, I don't know. I don't recall anything except there was a discussion of the telephone conversation and it wasn't clear whether you had asked him, whether you had told him that he had made a telephone call, had a telephone conversation, or whether he had a telephone conversation, or what.

Mr. LENZNER. And when you talked about that question with General Haig, is it your testimony that General Haig could not recall making that telephone conversation?

Mr. BUZHARDT. No, that is not my testimony. I don't know what the context was of telephone calls, whether you had asked him the question about it, or whether you told him—accused him of making a telephone call or whether he had, in fact, made a telephone call, or what.

Mr. LENZNER. All I am asking now—

Mr. BUZHARDT. I recall there was discussion of something about a telephone call.

Mr. LENZNER. And all I am asking now is did General Haig recall to you that he had, in fact, made such a telephone call?

Mr. BUZHARDT. I don't recall what he said about the telephone call, Mr. Lenzner.

Mr. LENZNER. Have you learned—

Mr. BUZHARDT. It is not of concern one way or the other to me. The concern at the moment was the wire service story.

Mr. LENZNER. Mr. Buzhardt, when did you first learn that the Internal Revenue Service was, in fact, conducting an investigation into Mr. Rebozo's receipt of \$100,000?

Mr. BUZHARDT. I don't recall when it was, Mr. Lenzner.

Mr. LENZNER. Do you recall who advised you of that?

Mr. BUZHARDT. No, I do not. I may have read it in the newspapers; I don't know.

Mr. LENZNER. Do you recall ever discussing that issue of the IRS investigation with Mr. Leonard Garment, also of the counsel staff, I believe, or was at one time?

Mr. BUZHARDT. I don't recall discussing it with him. We probably did at one time or another. I recall having a discussion about whether we could advise Mr. Rebozo, but I don't even remember what it was that the question came up about. It may have been—he may have said at the time it was an IRS investigation; I don't recall.

Mr. LENZNER. Do you have any recollection of Mr. Garment advising you that the Internal Revenue Service or the Treasury Department had contacted him to advise him that the Internal Revenue Service was, in fact, conducting an investigation of Mr. Rebozo?

Mr. BUZHARDT. No, I don't recall it but I may well have been.

Mr. LENZNER. Let me ask if this refreshes your recollection. Do you recall Mr. Garment telling you that Mr. William Simon, then with the Treasury Department, had, in fact, telephonically communicated with him to advise him that the IRS was conducting an investigation of Mr. Rebozo?

Mr. BUZHARDT. No, I don't recall.

Mr. LENZNER. Have you ever had a discussion with Mr. Simon with regard to this matter?

Mr. BUZHARDT. I don't remember if I have ever talked to Mr. Simon. I don't recall it.

Mr. LENZNER. How about Secretary Schultz?

Mr. BUZHARDT. No, I don't ever recall talking to Secretary Schultz about it.

Mr. LENZNER. Have you talked to any representative or employee of the Treasury Department or the IRS with regard to the receipt by Mr. Rebozo of \$100,000?

Mr. BUZHARDT. No. I don't recall talking to any of them. I don't even know Mr. Alexander and I don't know who else is under him, so—

Mr. LENZNER. Have you received any memorandum or documentation with regard to the IRS investigation of Mr. Rebozo?

Mr. BUZHARDT. No.

Mr. LENZNER. One other question: Do you have a recollection of Mr. Garment discussing the IRS investigation with you about Mr. Rebozo and of you telling Mr. Garment that there was nothing to it?

Mr. BUZHARDT. No, I don't recall that, but I may well have.

Mr. LENZNER. And if you had said that, Mr. Buzhardt, what would you have based that statement on?

Mr. BUZHARDT. I have no idea. I recall at one time—may I volunteer?

Mr. LENZNER. We would appreciate it.

Mr. BUZHARDT. I think at one time, because I am trying to be helpful on what I recall or know about the matter, Mr. Lenzner, at one time Mr. Rebozo called me on the phone and asked me if I would talk to his attorney. I said, sure. I talked to his attorney. I don't even remember who the attorney was. It may have been Mr. Frates. At

that time, you were conducting your investigation, this committee, in Miami. The lawyer, whoever he was, and I don't remember whether Mr. Rebozo told me the man would call me, or he was there then, but the fellow talked to me, and he gave a long list of grievances against the committee investigator. He was considering bringing a civil suit, and asked for my advice, whether he should bring a civil suit. I declined to give him any advice.

And at that time he recited a long list of grievances against the committee staff members and, as I recall it, he was talking in terms of abuse of process and a whole list of things.

Mr. LENZNER. Now, when Mr. Rebozo called you, did Mr. Rebozo advise you of what the subject of the communication was to be with the attorney?

Mr. BUZHARDT. I don't recall if he told me he was considering bringing a suit, or whether the attorney told me. I just don't recall.

Mr. LENZNER. Well, did he tell you that he wanted you to talk to his attorney with regard to the investigation into his receipt of \$100,000.

Mr. BUZHARDT. No, I think—I don't recall him telling me that at the time. I think it was well publicized that the committee was down there interrogating Mr. Rebozo or serving subpoenas on him or something.

Mr. LENZNER. And did you take any notes from your conversation with the attorney?

Mr. BUZHARDT. No.

Mr. LENZNER. And did you discuss the matter that he discussed with you with any other individual at that time?

Mr. BUZHARDT. Not to my recollection. I may have. I think I probably did discuss it with Mr. Garment, telling him about the phone call.

Mr. LENZNER. And did Mr. Garment respond in any way, to your recollection?

Mr. BUZHARDT. To the best of my recollection, Mr. Garment thought I should advise him not to bring the suit.

Mr. LENZNER. On what grounds?

Mr. BUZHARDT. He just didn't think it was a good idea. He didn't know much about it and my recollection is that I told him we wouldn't give advice one way or the other; it wasn't our business.

Mr. LENZNER. Did you have any discussion with any other individuals? Mr. Ziegler, General Haig, or the President, with regard to that phone contact?

Mr. BUZHARDT. No, I don't recall; I may have.

Mr. LENZNER. Well, Mr. Buzhardt, do you have a recollection now that that was Mr. William Frates who talked to you on the telephone?

Mr. BUZHARDT. No, I don't. I have tried to recollect who it was, but it may have been Mr. Frates. But I don't recall it. I don't know Mr. Frates. I have never met the man. I didn't know whoever it was I talked to on the phone, and I never met him.

Mr. LENZNER. Did you furnish Mr. Frates with any information with regard to the committee or its investigation at that time?

Mr. BUZHARDT. No, not to my recollection, since I didn't have any to furnish.

Mr. LENZNER. Did you venture any suggestion or information with regard to your own experiences with the committee investigation?

Mr. BUZHARDT. No; I don't recall doing so.

Mr. LENZNER. Now, are you aware of any other individual or employee at the White House who has been in contact with the Internal Revenue Service or the Treasury Department with regard to the \$100,000 received by Mr. Rebozo?

Mr. BUZHARDT. No; I don't recall anyone.

Mr. LENZNER. Now, do you recall discussing with any individual at the White House or elsewhere the meeting that took place at Camp David between Mr. Richard Danner, Mr. Charles G. Rebozo, and President Nixon on or about May 20, 1973?

Mr. BUZHARDT. I don't recall discussing it with anybody. But I seem to remember that you people made such a request. I recall I knew about that, that you asked some questions with regard to it. You may have asked me, Mr. Lenzner. I don't know. I didn't handle it, so I don't know.

Mr. LENZNER. Well, we did make a request of you, Mr. Buzhardt. You are quite correct to determine from the logs whether the logs reflected that meeting, and we were advised that the logs did not reflect the meeting between the President and Mr. Danner. But what I am asking is, did you have discussions with regard to that meeting with any other individual at the White House to determine whether, in fact, it took place?

Mr. BUZHARDT. I did not determine whether it ever took place. I didn't do the checking. Whether anybody discussed it with me or whether you made the request to me and I passed it on to somebody else, I don't recall. I remember being aware that you had made a request.

Mr. LENZNER. And did you——

Mr. BUZHARDT. And I think I remember reading something about Mr. Danner going to Camp David, in the newspapers. So, I don't know.

Mr. LENZNER. Well, but did you request a check be made to see whether, in fact, that meeting took place at Camp David on May 20, 1973?

Mr. BUZHARDT. I don't recall doing it. Somebody else I think handled it. Maybe Mr. St. Clair.

Mr. LENZNER. Did you learn the results of that check of the record at any time?

Mr. BUZHARDT. I am sure I must have. You told me that it didn't—that the record did not reflect it. I may have known that or perhaps did. To the best of my recollection, that is my memory of it.

Mr. LENZNER. Now, did you ever have discussions with Ziegler or Warren with regard to a statement that the White House issued that the meeting only lasted 5 or 10 minutes?

Mr. BUZHARDT. No.

Mr. LENZNER. Did you ever have discussions——

Mr. BUZHARDT. Not that I recall.

Mr. LENZNER. Did you have a discussion with anybody with regard to that?

Mr. BUZHARDT. I don't recall any, no. I don't even recall that it lasted only 5 or 10 minutes, if it did.

Mr. LENZNER. But you have no recollection of so advising Mr. Warren or Mr. Ziegler for the purposes of issuing a statement to the press?

Mr. BUZHARDT. No.

Mr. LENZNER. Did you ever discuss with President Nixon or Mr. Rebozo their recollection of how long that meeting was?

Mr. BUZHARDT. No.

Mr. LENZNER. Do you know if any individual has discussed that question with the President?

Mr. BUZHARDT. No, I do not know.

Mr. LENZNER. Did you ever have discussions with any individual with regard to the antitrust investigation and determination on the acquisition of a Dunes Hotel by the Hughes Tool Co.?

Mr. BUZHARDT. Yes. Yesterday afternoon Mr. Garment mentioned to me did I know anything about the Dunes, and I told him, "No." At the time, I thought he was talking about something, about one of these wilderness pieces of legislation. This morning he mentioned in passing there was an article in the newspaper all about the Dunes, and I asked him what article and he said, "You know, about the hotel out there." That is the first I ever knew he was talking about a Dunes Hotel. So, I do know that the Dunes is now a hotel or something.

Mr. LENZNER. That is the first time.

Mr. BUZHARDT. But I learned that this morning.

Mr. LENZNER. And that is the first time you discussed a Dunes Hotel acquisition by the Hughes Tool Co. with anybody?

Mr. BUZHARDT. I don't recall ever knowing. I guess that I was aware that somewhere there was a Dunes Hotel, but it never dawned on me that that was what he was talking about until this morning, until he told me.

Mr. LENZNER. Do you know of any effort by any individual or employee of the White House to obtain from the Department of Justice information with regard to the approval by Attorney General Mitchell of the acquisition of the Dunes Hotel by the Hughes Tool Co.?

Mr. BUZHARDT. I think Mr. Garment mentioned to me he had talked to the Department of Justice on something about the Dunes. I don't—that was either last night or this morning in our conversation but I have no idea to whom, or when, or what about.

Mr. LENZNER. And did he tell you what the result of his inquiries were?

Mr. BUZHARDT. No.

Mr. LENZNER. Did he ever furnish you with the results of his inquiry?

Mr. BUZHARDT. No.

Mr. LENZNER. Do you know for what purpose he contacted the Department of Justice?

Mr. BUZHARDT. No.

Mr. LENZNER. Have you had any discussions with individuals or employees of the White House with regard to the cessation of the atomic bomb testing in Nevada, and its relationship to the Hughes Tool Co. and Mr. Hughes?

Mr. BUZHARDT. No. I seem to recollect way back when I was in the Department of Defense, we had a question on bomb testing, but

I don't recall it having anything to do with Mr. Hughes. Not since I have been in the White House have I known anything about it.

Mr. LENZNER. Do you have any recollection of a discussion with any individual or employee at the White House with regard to the acquisition of Air West Co. by the Hughes Tool Co.?

Mr. BUZHARDT. No. I am aware that there was—maybe I read it in the newspaper that there was something about Hughes and Air West. But, I don't know.

Mr. LENZNER. Have you learned of any information relating to the obtaining of funds from campaign contributions by President Nixon and his brothers, F. Donald Nixon or Mr. Edward Nixon? An individual from the news media reports—

Mr. BUZHARDT. Yes. I think we covered that before. I think I recall talking to Mr. Donald Nixon on the phone.

Mr. LENZNER. Well, let me—

Mr. BUZHARDT. He was curious about it and said, "I never got any money from Mr. Rebozo." This was after the news story came out.

Mr. LENZNER. No. My question was not directed to Mr. Rebozo, specifically, but generally have you learned whether President Nixon or his brothers, F. Donald Nixon or Edward Nixon, at any time, received funds that were campaign contributions?

Mr. BUZHARDT. No, I have not.

Senator WEICKER. Off the record.

[Off the record discussion.]

Mr. LENZNER. Turning to Mr. Dean's testimony before this committee, you, in June 1973, transmitted a memorandum to Mr. Fred Thompson, minority counsel, which reflected the substance, which lists certain oral communications, telephonic and face-to-face between President Richard Nixon and John Dean. Can you tell Senator Weicker and the committee, what the source of this information was that was contained in the reflected communications between the President and Mr. Dean?

Mr. BUZHARDT. First, the answer to your assumption is no, I did not transmit a memorandum to Mr. Thompson.

Mr. LENZNER. Well, did you transmit information to Mr. Thompson regarding telephonic and face-to-face—

Mr. BUZHARDT. I had discussion with Mr. Thompson, yes.

Mr. LENZNER. And what was the source of the information you furnished Mr. Thompson?

Mr. BUZHARDT. That is within the attorney-client privilege and I would not tell you. I cannot tell you.

Senator WEICKER. That is sufficient.

Mr. BUZHARDT. The communication says—

Senator WEICKER. That is a sufficient answer. That is a sufficient answer to his question.

Mr. LENZNER. Well, aside—

Senator WEICKER. Now you can go ahead and ask other questions, aside from the communications with your client, and I take it your client that you are claiming the attorney-client privilege on behalf of is President Nixon. Is that correct, sir?

Mr. BUZHARDT. That is correct. And his agents.

Senator WEICKER. Excuse me?

Mr. BUZHARDT. And his agents.

Mr. LENZNER. Well, aside from communications directly to the President or his agents, did any of the information that you communicated to Mr. Thompson with regard to Mr. Dean's meetings with the President derive from the tapes of those meetings?

Mr. BUZHARDT. Again, I cannot answer that question on the basis of the attorney-client relationship.

Mr. LENZNER. Well, Senator—

Senator WEICKER. I think it is necessary, Mr. Buzhardt, for you to list those individuals who you purport to represent. You have already mentioned the President, but I think the others, it is not sufficient just to say "agents."

Mr. BUZHARDT. Well—

Senator WEICKER. I am perfectly willing to recognize that that is what you are saying before this committee.

Mr. BUZHARDT. His agents would be in communication by his agents to me and not necessarily with respect to this information, but any information, any immediate staff member, including General Haig, by whom the President communicates information to me for use in my legal representation of him.

Senator WEICKER. Does counsel have any other questions?

Mr. LENZNER. Well, Mr. Buzhardt, have you heard the tapes of meetings between Mr. Dean and the President prior to the time that you communicated with Mr. Thompson with regard to those meetings?

Mr. BUZHARDT. No.

Mr. LENZNER. Did you use transcripts of the tapes to prepare the information that you furnished Mr. Thompson with regard to the meetings between Mr. Dean and the President?

Mr. BUZHARDT. No.

Mr. LENZNER. And did you receive information from other individuals who had heard the tapes with regard to the substance of the information that you furnished to Mr. Thompson?

Mr. BUZHARDT. I would have to assert the attorney-client privilege with respect to that question again, because such information as was communicated to me was communicated within the attorney-client relationship.

Mr. LENZNER. You mean the information that was furnished with regard to the meetings between Mr. Dean and the President was furnished to you within an attorney-client relationship?

Mr. BUZHARDT. Yes.

Mr. LENZNER. Well, the information was furnished to Mr. Thompson for the purpose of propounding questions to Mr. Dean, was it not?

Mr. BUZHARDT. The information was furnished to Mr. Thompson on the basis for cross-examination of Mr. Dean and there was no representation of authenticity of it, or the verification but merely as a basis for cross-examination.

Mr. LENZNER. Now, when you say cross-examination, you are indicating that the intent was to furnish the information solely to Mr. Thompson for purposes of his propounding questions?

Mr. BUZHARDT. That is correct.

Mr. LENZNER. And the idea then was that the information was not intended to go further than Mr. Thompson or to be published?

Mr. BUZHARDT. That is correct. At least that was my thought at the time.

Mr. LENZNER. And did you so communicate to Mr. Thompson?

Mr. BUZHARDT. I don't recall the specific conversation as to whether I did, whether that was explicit, or I assumed it to be implicit in the conversation.

Mr. LENZNER. But in any event, your intent was not to furnish this to other members of the committee, but merely to furnish it for cross-examination purposes to Mr. Thompson?

Mr. BUZHARDT. That was the purpose in providing it, to assist him in cross-examination.

Mr. LENZNER. And only Mr. Thompson?

Mr. BUZHARDT. With that particular conversation?

Mr. LENZNER. Yes, sir.

Mr. BUZHARDT. I don't know whether he would use it for himself, or the committee—provide it to the committee members as a basis for cross-examination. If you will recall, we also submitted questions, and we also submitted another document—I don't know how you would characterize as a basis for cross-examination, a hypothesis for examination.

Mr. LENZNER. But it was clear at the time, was it not, that the information was used to propound questions, that the information was going to be a matter of public knowledge and that, therefore, any privilege that attached would be waived by the fact that the information would become public?

Mr. BUZHARDT. I don't think the information in the document is privileged.

Mr. LENZNER. Well, then, I don't understand, sir. If you could enlighten me as to exactly what is privileged?

Mr. BUZHARDT. In the first place, let me say what Mr. Thompson wrote down. It is his own memorandum. I have never verified it. I couldn't if I had to, as being the basis of our conversation.

Mr. LENZNER. No, no. My question is, sir, if the information that you furnished was not privileged, what is privileged? I am trying to just see where you draw the line on what you consider to be privileged and not privileged?

Mr. BUZHARDT. The information I had, and the means by which I acquired it, the information I had at the time.

Mr. LENZNER. Well, did you furnish—go ahead. I am sorry.

Mr. BUZHARDT. I had a discussion with Mr. Thompson and suggested a basis for his interrogation.

Mr. LENZNER. Of Mr. Dean?

Mr. BUZHARDT. Of Mr. Dean, that is correct; without any assertion that the basis had a factual basis in its entirety.

Mr. LENZNER. Well, are you suggesting, sir, that you furnished Mr. Thompson with information that you knew was not based on facts?

Mr. BUZHARDT. No.

Senator WEICKER. No. I don't think that that is what he said.

Mr. BUZHARDT. No. I didn't say that at all.

Senator WEICKER. Let me step right in here now. That is not what Mr. Buzhardt said, and I don't consider the comment of counsel proper. I understand, if my understanding is correct, the memorandum which you are referring to, Mr. Lenzner, is a memorandum of Mr. Thompson; is that correct?

Mr. LENZNER. Yes, sir.

Senator WEICKER. And it is not a memorandum of Mr. Buzhardt?

Mr. LENZNER. No. But I think Mr. Garment did communicate with the committee and indicate that the memorandum was an accurate reflection of the information that they had furnished Mr. Thompson. I believe that is in our record.

Senator WEICKER. Now, Mr. Buzhardt, as I understand it, both as to the individuals that he talked to, as well as the subject matter discussed with Mr. Thompson, and the nature of those conversations with those individuals is exerting the attorney-client privilege, is that correct?

Mr. BUZHARDT. That is correct. My communication with Mr. Thompson is obviously not privileged. I do not claim any privilege on my conversation with Mr. Thompson.

Senator WEICKER. I understand.

Mr. BUZHARDT. And just so you understand, I communicated to Mr. Thompson a hypothesis, if you will. And if you will recall, we also provided to the committee—I don't recall to whom—a rather extensive hypothesis on what took place on the Watergate break-in, as I recall. I don't even recall the document very well, but purely as a basis for cross-examination, a hypothesis for cross-examination. There was no assertion that I had any proof, absolute knowledge, or anything else as to my communication with Mr. Thompson. I don't know whether Mr. Garment has professed to verify the document. I was the one who had the communications with Mr. Thompson. Subsequently, so you are aware, I believe the document was the subject of a discussion I had with Mr. Dash. I recall at that time trying to see if I had any notes of my conversation with Mr. Thompson, and I found, unfortunately, I didn't. I considered the memorandum that he had written inaccurate in a number of respects and to the best of my recollection of what our conversation was, not even reflected in our own conversation. There may have even been some changes in it, you know, and I said he could have never gotten it from my conversation. I don't know whether he really made the changes. This was the discussion I had with Mr. Dash, but I recall I came up to look at the document either before or after it was put in the record, and I don't even recall that.

Mr. LENZNER. Senator, it might be useful for Mr. Buzhardt, at some time, then and since this is information that comes to me for the first time, to indicate for the record what corrections he would make in the memorandum that appears at page 1796, book 4, of the committee's hearings.

Mr. BUZHARDT. May I respond to that, Senator?

Senator WEICKER. Please do.

Mr. BUZHARDT. I could probably do a much better job of characterizing the meetings at this time. But, to attempt to reconstruct what our discussion was between Mr. Thompson and myself at the

time we talked about the matter, would be impossible. I couldn't even do it shortly afterwards.

Senator WEICKER. I think if this matter is to be pursued, and I am not saying that it can't be pursued, as Mr. Buzhardt has indicated there is no privilege between himself and Mr. Thompson, nevertheless, if it is to be pursued, it should be pursued with minority counsel in the room. And I think it not proper to continue this line of questioning without minority counsel in the room.

Mr. BUZHARDT. Yes, sir.

Mr. LENZNER. One other question then.

Senator WEICKER. I am not saying that, as I said before, it should not be done, but I am saying that if it is to be done, it should be done under those circumstances.

Mr. LENZNER. One other question. Mr. Buzhardt, did any of this information that you did communicate to Mr. Thompson come from Mr. H. R. Haldeman?

Mr. BUZHARDT. Not to my recollection. I don't think I ever talked to Mr. Haldeman at that time. It may have come from some of—and I don't even recall now whether there—Mr. Haldeman had—I guess he had not testified at that point.

Mr. LENZNER. That is correct. He had not.

Mr. BUZHARDT. And I lose the time sequence here. There may have been some reflection in it of his telephone logs, meeting logs. Perhaps he had turned over to the committee by that time. I don't recall any specifics.

Mr. LENZNER. But, Mr. Haldeman, I believe—

Mr. BUZHARDT. Anything coming from Mr. Haldeman.

Mr. LENZNER. Mr. Haldeman, I believe, had heard some of these tapes. Do you recall whether you received any information from Mr. Haldeman directly or indirectly with regard to his having heard the tapes?

Mr. BUZHARDT. No, I don't think so; I may have. I may have talked to his attorney. I don't recall. At one time, I did talk to Mr. Wilson on two or three occasions, soliciting information. I am afraid at that time I was very short on information. But, I don't recall whether it was before this or after this.

Mr. LENZNER. Have you ever on occasion heard taped conversations reflecting conversations between Mr. Charles G. Rebozo and President Nixon?

Mr. SILVERSTEIN. Excuse me. Are you asking Mr. Buzhardt if he heard the tapes?

Mr. LENZNER. Yes.

Mr. BUZHARDT. What tapes I have heard, well—I don't want to say anything that would waive the privilege, but to the best of my knowledge this would not, and I haven't, so, no, so I don't want to—

Senator WEICKER. Well, I understand that you are exerting the privilege and the privilege won't be waived?

Mr. BUZHARDT. Right. But, I never heard a conversation between the President and Mr. Rebozo.

Mr. LENZNER. Or seen a transcript which reflected such conversation?

Mr. BUZHARDT. No.

Mr. LENZNER. Do you remember informing Senator Ervin that the taping system used in the White House and the Executive Office Building was installed in 1971? Can you tell the committee what the source of your representation was that the system was installed in 1971?

Mr. BUZHARDT. I derived the information from the Secret Service.

Mr. LENZNER. From records of theirs or from oral representation?

Mr. BUZHARDT. Well, they gave it to me. I presume they got it from their own records.

Mr. LENZNER. Do you remember who specifically you talked to about that?

Mr. BUZHARDT. Yes.

Mr. LENZNER. Who was that, sir?

Mr. BUZHARDT. Mr. Simms, Chief of the Technical Security Division.

Mr. SILVERSTEIN. When did you learn this, do you remember approximately?

Mr. BUZHARDT. No, I don't.

Mr. LENZNER. Was it before or after Mr. Butterfield's testimony?

Mr. BUZHARDT. It was after Mr. Butterfield testified. Sometime subsequent thereto.

Senator WEICKER. At this time I have to meet with the Secretary of Transportation. It shouldn't take more than, I think, 20 minutes in my office. And with that in mind, I would like to recess this hearing until noontime.

[Recess.]

AFTERNOON SESSION

Mr. LENZNER. Mr. Buzhardt, when was the last contact, the communication you had, with Mr. Rebozo, Mr. Frates, or any representative of either Mr. Rebozo or Mr. Frates?

Mr. BUZHARDT. I just described one contact with Mr. Frates. I haven't had any with Mr. Rebozo nor seen him nor talked to him since the telephone call that I mentioned. Mr. Frates I talked to one time last week, if it was Mr. Frates I talked with before.

Mr. LENZNER. You say you talked to Mr. Frates last week?

Mr. BUZHARDT. Yes. I called him to tell him that the President was releasing transcripts of conversations in which one of his clients was included and, as a lawyer, for Mr. Ehrlichman.

Mr. LENZNER. And did you have any discussion with Mr. Frates at that time with regard to his representation of Mr. Rebozo, or with regard to Mr. Rebozo?

Mr. BUZHARDT. No; none whatever, or anybody else.

Mr. LENZNER. So, you did not see Mr. Rebozo or talk with Mr. Rebozo in January, or since January 1, 1974?

Mr. BUZHARDT. No. I don't recall seeing Mr. Rebozo since then: no.

Mr. LENZNER. And had no communication with Mr. Rebozo?

Mr. BUZHARDT. No.

Mr. LENZNER. Do you know of anybody employed at the White House who has been in communication with either Mr. Rebozo or Mr. Frates, other than you?

Mr. BUZHARDT. No, to my knowledge.

Mr. LENZNER. Well, are you not aware of whether Mr. Rebozo has been in communication with President Nixon at any time since January 1, 1974?

Mr. BUZHARDT. I don't know that he has, no. I assume that he has but I don't know it. I have seen them together.

Mr. LENZNER. And nobody has advised you of the substance of any conversation between President Nixon and Mr. Rebozo with regard to the investigation of the \$100,000 received by Mr. Rebozo?

Mr. BUZHARDT. No.

Senator WEICKER. Who, if I may again, and I don't mean to press the point but, obviously, I think it is a point that has to be clarified. But, to your knowledge, Mr. Buzhardt, is there anyone in the White House in a legal capacity charged with looking at the President's interests, or monitoring this Rebozo \$100,000 contribution situation?

Mr. BUZHARDT. No, Senator Weicker; if anybody is working on it I don't know about it. It has not been assigned as a responsibility.

Senator WEICKER. The reason why I asked my question, you know, this is not an alleged contribution to Mr. Rebozo, this wasn't an alleged contribution to him, but this was an alleged contribution to the President which Mr. Rebozo retained. Isn't there something—

Mr. BUZHARDT. I don't know that is so.

Senator WEICKER. These are the allegations.

Mr. BUZHARDT. It is my understanding that it was a campaign contribution of some type.

Senator WEICKER. Fine. A campaign contribution.

Mr. BUZHARDT. So you understand, Senator Weicker, it is not this contribution, but any contribution. As you know, the Committee To Re-Elect is represented by counsel and involved in a number of pieces of litigation, a number of matters, and the White House legal staff takes no interest in that. Now, we don't have any assigned responsibilities in that whole matter.

Senator WEICKER. All right. Then you have answered my question. This is all I asked. Am I correct, then, in my impression of your response to me that the committee, the lawyers of the Committee To Re-Elect the President, are the ones who are involved on the President's behalf with this alleged contribution?

Mr. BUZHARDT. No.

Senator WEICKER. Is that correct?

Mr. BUZHARDT. No, no. I did not mean to imply any such thing. I was just using that to illustrate that White House counsel staff do not work on matters arising out of political campaign contributions. We are Government counsel, Senator Weicker. If it is a matter of political contributions, it is not our role. That is not our role in the counsel's office. Second, let me say I don't even have to take much personal interest in this. I don't see how it relates to the President. I know Mr. Lenzner has and perhaps you have a number of theories that this money was used for something other than a campaign contribution. I have no information that would in anyway so indicate. It just happens that I don't believe it. And I have no information to tell me to the contrary, and no reason that I should be concerned about it.

Senator WEICKER. Well, I am not trying to theorize at all. I don't have any theory. My job is to go ahead and get the facts and, and yet you were involved in this matter to the extent that you relayed instructions or questions from Mr. Gemmill to Miss Woods. And, apparently, you participated in the reply from Miss Woods to the Internal Revenue Service.

Mr. BUZHARDT. That is correct. And let me explain that. Anytime a Government agency—I am informed that a Government agency is seeking information, if it had been Mr. Rebozo seeking information I would have told him lots of luck, you know, try somewhere else. Where we have Government agencies actually or purportedly seeking information, we have a responsibility to be of such assistance as we can, and no problem. We have inquiries from any number of Government agencies about any number of matters. If it is a U.S. attorney's office that wants information from somebody on the White House staff, we are their contact point, and if they want an interview, we attempt to set it up, if the person is agreeable. It is not ours to choose who people talk to in their private capacity. But, we do it to facilitate the Government business, whatever it is.

Senator WEICKER. Mr. Buzhardt, was Mr. Gemmill—was he employed by the Internal Revenue Service or any Government agency?

Mr. BUZHARDT. No. He represented to me that the Internal Revenue Service was seeking some information. And to the best of my knowledge, he gave me the address of a tax agent to whom the information should be sent. I accepted his word that it was the Internal Revenue Service or whoever it was, that wanted it and we sent it directly to them.

Senator WEICKER. But, nevertheless, the request did not come from the Internal Revenue Service?

Mr. BUZHARDT. That is correct. It was relayed by Mr. Gemmill.

Senator WEICKER. In his capacity as representing Mr. Rebozo?

Mr. BUZHARDT. I assume so.

Senator WEICKER. Go ahead.

Mr. LENZNER. Well, on occasion, is it not correct, Mr. Buzhardt, that you have discussed ongoing investigations with counsel and their witnesses who have not been employed at the White House? Is that not correct?

Mr. BUZHARDT. I don't understand your question.

Mr. LENZNER. Well, on occasion, you have discussed with people who are not in Government agencies or employed at the White House—

Mr. BUZHARDT. By all means.

Mr. LENZNER. Information relating to ongoing investigations?

Mr. BUZHARDT. Absolutely. I just recited one for you. I talked with Mr. Rebozo's lawyer and I assume it was Mr. Frates, but I don't recall if it was. I talk with a lot of people.

Mr. LENZNER. And on occasion, is it not true that you have also furnished information that has come to you with regard to aspects of the investigation to people who are not employed at the White House or by Government agencies?

Mr. BUZHARDT. Aspects of the investigation?

Mr. LENZNER. Yes, information that has come to you with regard to investigations.

Mr. BUZHARDT. I don't recall any specifically.

Mr. LENZNER. Haven't you discussed with people who are not employed by Government agencies or the White House what witnesses have been interviewed on occasion relating to this investigation?

Mr. BUZHARDT. I don't recall. I frankly don't keep up with what witnesses you interview, Mr. Lenzner. I did that one time when your requests for witnesses were being funneled through my office.

Mr. LENZNER. Well, haven't you on occasion, for example, discussed with Mr. Stanley McKiernan, who represents Mr. F. Donald Nixon and Mr. Edward Nixon, witnesses who have been interviewed relating to that investigation?

Mr. BUZHARDT. I am sure I have discussed with him the fact that his clients have been interviewed or about to be interviewed, and I may have discussed others. I don't know. He may have told me.

Mr. LENZNER. No. My question is, Mr. Buzhardt, didn't you, in fact, inform Mr. McKiernan of other individuals who had been interviewed by this committee with regard to its investigation of Mr. F. Donald Nixon and Mr. Edward Nixon?

Mr. BUZHARDT. I don't recall doing so, but I may well have, if I knew.

Senator WEICKER. Did you testify before the committee last session, Mr. Buzhardt, that one of your functions in the White House was that of liaison—if you want to use another term, please go ahead and do so—between the White House and the Nixon brothers?

Mr. BUZHARDT. No, I did not, Senator Weicker.

Senator WEICKER. Would you like to describe what—

Mr. BUZHARDT. From time to time I do—I am in contact with the President's brothers. I have talked to Mr. McKiernan frequently on various and sundry matters, sometimes about his clients. Sometimes he discusses them with me or their problems. But I have no formal responsibility in that respect, whatsoever.

Senator WEICKER. That answers my question.

Now, I have got a vote.

Mr. LENZNER. Mr. Buzhardt, do you still want a Senator here while we ask these questions?

Mr. BUZHARDT. Yes.

Mr. LENZNER. Or do you want to waive that?

Mr. BUZHARDT. No, I do not want to waive that.

Mr. LENZNER. I just thought we might be able to expedite things.

Mr. BUZHARDT. I am interested in expediting but not at the sacrifice of the rules.

[Recess.]

Mr. LENZNER. I don't think we made this clear on the record, Senator. I want to ask this again. If you have yourself made changes on the letter that you had Miss Woods sign, would you not remember that clearly at this time?

Mr. BUZHARDT. I do not recall, Mr. Lenzner.

Mr. LENZNER. All right. Now, do you recall when you first learned of the return of the \$100,000 by Mr. Rebozo to the Hughes Tool Co.?

Mr. BUZHARDT. No, I do not.

Mr. LENZNER. Do you recall having any discussions with any representatives of the Hughes Tool Co., Mr. Rebozo, or the White House with regard to the return of that \$100,000?

Mr. BUZHARDT. No, I do not.

Mr. LENZNER. Do you know of any funds that have been furnished by President Nixon to Mr. Rebozo within the last 18 months?

Mr. BUZHARDT. No, I do not.

Mr. LENZNER. Do you know of any funds that have been furnished, loaned to the President by Mr. Rebozo in the last 18 months?

Mr. BUZHARDT. I already answered that question once, Mr. Lenzner, negatively.

Mr. LENZNER. Now, I think I ask you—

Mr. BUZHARDT. And you asked it at least once previously.

Mr. LENZNER. Well, your answer is then—

Mr. BUZHARDT. Is, no.

Mr. LENZNER. Thank you, sir. Now, also for the record, have you ever on occasion discussed with any other individuals in a meeting at Camp David that took place between Mr. Danner, President Nixon, and Mr. Rebozo, on or about May 20, 1973?

Mr. BUZHARDT. I do not recall any. I remember, as I told you previously, Mr. Lenzner, that I recall you made the request, or somebody must have told me. Who told me I don't know. And I may have discussed it with them at the time. But, I had the recollection that I was aware that you made the request, but I don't recall discussing it with anyone.

Mr. LENZNER. And you have no recollection of discussing any information relating to that meeting, other than the committee's request for the logs of that meeting?

Mr. BUZHARDT. No. I don't even have a recollection of discussing the committee's request. But, I recall that I knew that you made a request, so somebody must have told me.

Mr. LENZNER. Have you had any discussions or meetings or communications with any representatives of the Hughes Tool Co.?

Mr. BUZHARDT. No, not in recent years. I don't—at one time, some years ago, I knew Mr. Maheu, maybe 15 years ago. I met him. I don't think I have seen him since or talked to him since.

Mr. LENZNER. In what capacity did you know him? Socially or professionally?

Mr. BUZHARDT. Professionally. I worked here on the Hill. I think I met him at some time. I don't even remember what capacity I met him, but I haven't seen him since. I wouldn't know him if I met him on the street today.

Mr. LENZNER. Have you had any discussions, communications, meetings, or correspondence, with any representative of the law firm of Davis & Cox since you joined the White House staff in May 1973?

Mr. BUZHARDT. No. I don't recall the name. I don't even know who it is.

Mr. LENZNER. Well, Mr. Chester Davis is the representative or counsel for the Summa Corp., which was the Hughes Tool Co. The answer is still no?

Mr. BUZHARDT. Yes.

Mr. LENZNER. Yes, the answer is no?

Mr. BUZHARDT. Yes, the answer is no.

Mr. LENZNER. Now, Mr. Buzhardt, have you become aware of a meeting that took place either late 1973 or January 1974 between

President Nixon, Mr. F. Donald Nixon, Mr. Edward Nixon, and Mr. Stanley McKiernan?

Mr. BUZHARDT. Well, I am sure the President has seen these individuals, but I don't recall any specific meeting.

Mr. LENZNER. You have not been advised that such a meeting took place, and that issues relating to the investigation of the \$100,000 was discussed at that meeting?

Mr. BUZHARDT. I never knew of any discussion.

Mr. LENZNER. Have you learned or been advised of the preparation of a memorandum by Mr. McKiernan for President Nixon relating information of F. Donald Nixon and Edward Nixon?

Mr. BUZHARDT. Yes. I think I was told by Mr. McKiernan that he had provided to the President a memorandum with respect to Mr. Donald Nixon's physical condition at some point. I don't know when it was.

Mr. LENZNER. And did he also indicate that that memorandum contained information with regard to the Senate Select Committee's investigation and also the Vesco matter?

Mr. BUZHARDT. No, he did not.

Mr. LENZNER. Have you ever seen a copy of that memorandum?

Mr. BUZHARDT. No, I have not.

Mr. LENZNER. A copy of it, or the memorandum itself?

Mr. BUZHARDT. No.

Mr. LENZNER. Do you know if such a memorandum was physically delivered to President Nixon?

Mr. BUZHARDT. No, I do not know that.

Mr. LENZNER. Do you have any recollection of ever discussing with Mr. McKiernan the question of whether his clients, Mr. F. Donald Nixon and Mr. Edward Nixon, would be called as witnesses before the Senate Select Committee?

Mr. BUZHARDT. I don't have any recollection of it, but I am sure he has mentioned the fact that they were going to testify, were called, did testify. I am aware that you had a hearing on the west coast with them.

Mr. LENZNER. Well, did you ever discuss with them whether they would be called, whether the Nixon brothers would be called as witnesses in public hearings before the Senate Select Committee?

Mr. BUZHARDT. I may have, I don't recall. I don't recall the question being raised of them being called in public hearings, but it may have.

Mr. LENZNER. Did you ever learn of requests by either Edward Nixon or F. Donald Nixon that the President designate a member of his staff to provide advice to them and to Mr. McKiernan with regard to the investigation relating to them?

Mr. BUZHARDT. No.

Mr. LENZNER. Looking at this memorandum, Mr. Buzhardt, you have seen that document on a prior occasion, have you not?

Mr. BUZHARDT. I possibly have, I don't recall it.

Mr. LENZNER. And you will note in that document that there is a reference made to a January 18, 1971, memorandum for Mr. Halde- man from Mr. Dean requesting an investigation of, I think, Mr. Maheu, and his relationship to the Hughes Tool Co.

Mr. SCHULTZ. Terry would you identify it for the record, please?

Mr. LENZNER. Well, I would like——

Mr. BUZHARDT. This is a memorandum dated January 26, 1971,* confidential memorandum for H. R. Haldeman, from Dean, subject: "Hughes Retainer of Larry O'Brien," and I will have to read it to see if there is any such thing as you said in it, Mr. Lenzner. And to answer you.

Mr. LENZNER. Just read the first paragraph.

Senator WEICKER. Now, if counsel desires to read the whole thing——

Mr. LENZNER. It is a lengthy memorandum. I am just going to ask about one matter.

Senator WEICKER. The fact is that counsel will refrain until Mr. Buzhardt has read the memorandum.

Mr. SILVERSTEIN. I assume you are going to put the whole thing in the record?

Mr. LENZNER. That is not necessary.

Mr. BUZHARDT. In answer to your question, Mr. Lenzner, I do not see where it says that Mr. Haldeman told Mr. Dean to make an investigation.

Mr. LENZNER. Well, the question—may I have the document back?

Mr. BUZHARDT. Yes.

Mr. LENZNER. The question is specifically to the language: "Pursuant to your memorandum of January 18, 1971, I have conducted an inquiry on the relation between Larry O'Brien and Howard Hughes," and my question to you, sir, is, have you ever observed the memorandum dated January 18, 1971, from Mr. Haldeman to Mr. Dean regarding an inquiry into the relation between O'Brien and Hughes?

Mr. BUZHARDT. No, not to my recollection have I ever seen such a memorandum.

Mr. LENZNER. And you recall the committee requesting you to determine if such a memorandum existed in the files of the White House?

Mr. BUZHARDT. No, I don't recall it, but it may well have been.

Mr. LENZNER. You don't recall us requesting that?

Mr. BUZHARDT. No, I don't recall your requesting that specific document. You requested any number of documents, as to a number of other people.

Mr. LENZNER. Do you recall making a search for that document?

Mr. BUZHARDT. No, I do not recall making a search for that document.

Senator WEICKER. I might add, Counsel, for the committee, is Counsel in the possession of such a document?

Mr. LENZNER. No, Senator. We requested it and I remember specifically being in Mr. Buzhardt's office with Mr. Dash and I think Mr. Thompson, on at least two occasions, when we requested that memorandum. And Mr. Buzhardt said he would make a search of the files to see if such memorandum existed. We do not have a copy of that and that is why we made the request.

Senator WEICKER. Mr. Buzhardt, are you in a position now to make such a search and to get such document if, indeed, it exists?

*Later entered as Higby exhibit No. 5-D, p. 11127.

Mr. BUZHARDT. I don't—Senator, I may have made such a search. I just don't recall if I searched for that particular memorandum. It doesn't strike any chord in my recollection. I have searched the entirety of Mr. Dean's files I think about four times, almost paper to paper, and I don't ever recall seeing such a memorandum, no.

Senator WEICKER. Well, might I suggest, since apparently, and I might add that I don't blame you if you can't remember a specific document and specific days with thousands of documents to go over, but may I suggest, since this has been a matter of discussion between you and the committee, that you once again review the files and if, indeed, such a document exists that it be turned over to the committee?

Mr. BUZHARDT. Might I ask Mr. Lenzner if I ever replied to his request and said that I did or did not find it because—

Mr. LENZNER. No. I remember—

Mr. BUZHARDT. I don't recall.

Mr. LENZNER. For the record, I remember we requested the document originally, and then several weeks after that we met again in your office and asked if you had found the document and you said that at that time, I believe you said, that you had not been able to make a search for it. We made the request again and I don't think we ever got an answer unless you communicated to Mr. Dash and I was not privy to that communication.

Mr. BUZHARDT. Well, I just don't recall.

Mr. LENZNER. Have you—

Mr. BUZHARDT. I will check and see if I can find some record of it and see if I did.

Mr. LENZNER. Have you had any communications or discussions with Mr. Haldeman, with regard to the subject of these memorandums?

Mr. BUZHARDT. No.

Mr. LENZNER. Or have you had any discussions with any other individual with regard to the subject matter of this memorandum?

Mr. BUZHARDT. I don't recall any, Mr. Lenzner. I don't recall your discussion with me on this specific memorandum. But, I could well have had some.

Mr. LENZNER. Well, other than—

Mr. BUZHARDT. I just don't recall it.

Mr. LENZNER. Other than members of the committee, or its staff, have you had any discussions with anybody with regard to the subject matter of this memorandum?

Mr. BUZHARDT. I don't recall any, Mr. Lenzner.

Mr. LENZNER. Have you had any discussions with any individual with regard to the information in the transcripts, elsewhere relating to an attempt, alleged attempt, to break into Hank Greenspun's safe?

Mr. BUZHARDT. Now, would you go back over that? What transcript are you talking about?

Mr. LENZNER. The transcripts the White House recently released, at page 430, there was a conversation between the President, Mr. Haldeman, and Mr. Ehrlichman, and let me just show it to you. It is page 425.

Mr. BUZHARDT. Yes; OK. Well, I haven't had any discussions with respect to this material. I may have talked to somebody about the so-called Greenspun safe. If I did, it was probably Senator Baker or Mr. Thompson. I don't recall discussing this type of subject matter with anybody else.

Mr. LENZNER. Well, do you remember—

Mr. BUZHARDT. Though I may have. Let's see, there may be one other person and I can't remember his name now. But give me a minute and I will.

Mr. LENZNER. Yes, sir, take your time.

Mr. BUZHARDT. And I am ashamed because he works here and I have known him for a long time, but I can't for the life of me remember right now. One time I had a conversation and, no, he doesn't work with this committee. He works for the Joint Committee on Atomic Energy, and I believe at one time he was—

Senator WEICKER. Mr. Murphy?

Mr. BUZHARDT. Mr. Murphy. That's right, Mr. Murphy. I believe he was there when Senator Baker and I had a discussion once, and I am not even sure we discussed this. But, we may have because we were on this type of subject. We could have discussed it then. To the best of my recollection, I haven't discussed it with anybody else.

Mr. LENZNER. As a result of that discussion, did you seek to obtain any additional information with regard to that subject matter?

Mr. BUZHARDT. No, I did not.

Senator WEICKER. And the meeting that was held with Mr. Thompson and Mr. Murphy and Mr. Baker, when was that meeting, to the best of your recollection?

Mr. BUZHARDT. I don't recall. There was more than one discussion. I don't think I talked to Mr. Thompson and Senator Baker at the same time, but I don't recall when it was. It was some months ago—several months ago.

Mr. LENZNER. Was it prior to the committee's decision to hold public hearings, or after the committee's decision to hold public hearings?

Mr. BUZHARDT. It was after the public hearings.

Senator WEICKER. After the public hearings?

Mr. BUZHARDT. After the public hearings.

Senator WEICKER. Was the meeting on this particular matter—was this one requested by Mr. Thompson and/or Senator Baker, or was this—

Mr. BUZHARDT. Yes. Senator Baker came to see me initially about the matter.

Senator WEICKER. I see.

Mr. BUZHARDT. About several matters.

Mr. LENZNER. I don't want to get into this in great detail, but can you tell us just what the context of the conversation was or what the purpose of it was?

Mr. BUZHARDT. No, the purpose was to discuss whether we had information that could add to his portion of the investigation that he was working on.

Mr. LENZNER. Which was what, sir?

Mr. BUZHARDT. Interested in.

Mr. LENZNER. Which was what?

Mr. BUZHARDT. I believe it involved possible CIA involvement and a number of factors in connection with the Watergate break-in; this type of thing.

Senator WEICKER. I think, obviously, that counsel should be allowed to ask Mr. Buzhardt any knowledge he might have of it, but I would suggest to counsel that if there is any further responses that are necessary, that counsel confer with either minority counsel or Senator Baker.

Mr. LENZNER. Yes.

Mr. BUZHARDT. Yes, I think that would be appropriate, Senator.

Mr. LENZNER. I agree, and I just want to ask one question. And, that it, were you able to furnish any additional information or did you obtain any additional information with regard to any of those subjects?

Mr. BUZHARDT. No, I did not. I am afraid that they had done much more work than I ever knew about.

Mr. LENZNER. Did you pass on those communications with anybody else, did you pass on the substance of your communication with either Mr. Thompson or Senator Baker with any other individual?

Mr. BUZHARDT. I may have; probably did.

Mr. LENZNER. Do you remember who that was?

Mr. BUZHARDT. No.

Mr. LENZNER. Do you know of any surveillance, physical or electronic, conducted on any member of the committee—Senate Select Committee?

Mr. BUZHARDT. No.

Mr. SILVERSTEIN. Excuse me. Do you have any information along the lines that any member of the committee has had electrical or physical surveillance?

Mr. LENZNER. I will be glad to discuss that with you, Mr. Silverstein, some other time.

Mr. SILVERSTEIN. I would like to discuss that with you.

Mr. LENZNER. Fine. And do you have any information or knowledge as to whether any physical or electronic surveillance has been conducted on any member of the committee staff?

Mr. BUZHARDT. No. I thought that was included in your other question, your first question.

Mr. LENZNER. Now, you conducted yourself, did you not, Mr. Buzhardt, an investigation into wiretapping and electronic surveillance that had been conducted prior to January 1, 1974?

Mr. BUZHARDT. No.

Mr. LENZNER. Well, is it not true, Mr. Buzhardt, that you made inquiries and gathered information with regard to allegations concerning wiretapping?

Mr. BUZHARDT. Certain information came to my attention, yes.

Mr. LENZNER. Well—

Mr. BUZHARDT. But I never conducted an investigation.

Mr. LENZNER. Well, did you ask for that information to be prepared for you, presented to you?

Mr. BUZHARDT. I don't recall. There was not one transaction but there were a number of transactions related to wiretapping that I

have come into information of from one time to the other. I don't know what you are specifically talking about.

Mr. LENZNER. Well, did you not request certain information from the U.S. Secret Service with regard to possible electronic surveillance or physical surveillance that they conducted?

Mr. BUZHARDT. I don't recall if I requested. Certain information was communicated to me, yes.

Mr. LENZNER. And for what purpose was it communicated to you?

Mr. BUZHARDT. I think that will again come within—well, certainly matters relating to that have been and are the subject of executive privilege claims by the President. He has asserted it and I would have to regretfully decline to answer the question, because I am under the same injunction on that subject as others. I am aware because I have given—afforded the instructions.

Senator WEICKER. If I may here, as I understand it, you are declining to respond to this question on the basis of executive privilege; is that right?

Mr. BUZHARDT. Yes, sir. Executive privilege has been asserted by the President. I am sure in this committee, with respect to this subject matter, I am aware of that and I could not answer the question.

Senator WEICKER. Well, what subject matters are we referring to?

Mr. BUZHARDT. This is with respect to information relating to wiretaps.

Mr. LENZNER. Well, did you receive any information relating to electronic surveillance or wiretaps conducted without authorization of the appropriate authorities?

Mr. BUZHARDT. Well, that is—that is again within the—let's see—I know of no electronic surveillance conducted without appropriate authorization.

Mr. LENZNER. And by appropriate authorization, I mean a request and an authorization by the Attorney General of the United States pursuant to the appropriate statute.

Mr. BUZHARDT. Well, I didn't so limit my answer.

Mr. LENZNER. Well, I assume that you probably were making a rather general answer there, Mr. Buzhardt, and what I am simply asking now is, did you learn of any electronic surveillance conducted without authorization by the Attorney General or pursuant to statute, or a Federal court judge pursuant to statute?

Mr. BUZHARDT. I am sorry, I cannot answer your question because it is subject to the claim of executive privilege as to the information concerning these wiretaps. It is subject to an assertion of executive privilege by the President.

Mr. LENZNER. Did you conduct—

Mr. BUZHARDT. And I am aware of those instructions not to testify with respect to that subject, because I have passed them on to other witnesses—relayed the President's instructions.

Mr. LENZNER. Did you conduct an investigation into the wiretapping of Joseph Kraft?

Mr. BUZHARDT. No.

Mr. LENZNER. You received no information relating to that alleged electronic—

Mr. BUZHARDT. I conducted no investigation with respect to the wiretap of Joseph Kraft.

Mr. LENZNER. Did you receive any information as to who ordered the alleged electronic surveillance of Mr. Kraft?

Mr. BUZHARDT. No.

Mr. LENZNER. Did you receive any information relating to the allegations concerning electronic surveillance of Mr. Kraft other than the news media?

Mr. BUZHARDT. Yes.

Mr. LENZNER. And can you describe what the substance of that information was?

Mr. BUZHARDT. No, I cannot. I am sorry. That, too, is subject to an assertion of executive privilege, and I cannot.

Mr. LENZNER. Well, let me ask this—

Mr. BUZHARDT. I cannot discuss it here. I think—and I am not really aware—I am aware that Attorney General Richardson, when he was Attorney General, discussed that with the Judiciary Committee. The extent to which he made the disclosure I do not know, a disclosure about it.

Mr. LENZNER. Well, did you not, in fact, learn on occasion, Mr. Buzhardt, that Mr. Kraft's telephone was tapped by a private individual who was not employed by the U.S. Government?

Mr. BUZHARDT. No, I did not learn that. I have heard allegations in the public to that effect, but I have never seen anything to substantiate it.

Mr. LENZNER. Well, you certainly know Mr. Ehrlichman requested Mr. Caulfield to implement that wiretap, do you not?

Mr. BUZHARDT. No, I do not.

Mr. LENZNER. You do not know that Mr. Ehrlichman's testimony before the Senate Select Committee—

Mr. BUZHARDT. No. He may have said it but I am not aware of it if he did. I just don't recall him saying that. I didn't listen to all of Mr. Ehrlichman's testimony, and I am not sure I ever read all of Mr. Ehrlichman's testimony. I have read portions of it but I don't recall ever reading that.

Mr. LENZNER. Do you know if President Nixon personally ordered the electronic surveillance of Mr. Joseph Kraft?

Mr. BUZHARDT. No. I do not.

Mr. SILVERSTEIN. Excuse me. Are you exerting executive privilege relating to all questions relating to wiretap?

Mr. BUZHARDT. No. For that information which came to me through unofficial sources, and I have, obviously, seen them in the newspaper and things like that, I can't exert executive privilege.

Mr. SILVERSTEIN. Of your personal knowledge?

Mr. BUZHARDT. Of my personal knowledge, yes.

Mr. SILVERSTEIN. All right. That is the only question that I had. Thank you. You may proceed.

Mr. LENZNER. Did you receive any information as to what purpose Mr. Kraft's phone was wiretapped?

Mr. BUZHARDT. Again, I would have to assert executive privilege with respect to that or decline to answer for that reason, because it is at the direction of the President that that testimony on that subject not be given.

Mr. LENZNER. The testimony, specifically, you have been instructed by the President that you cannot testify as to information you received with regard to electronic surveillance of Mr. Kraft's phone?

Mr. SILVERSTEIN. Excuse me, Terry—

Mr. BUZHARDT. With respect to wiretaps by the Government, yes.

Mr. LENZNER. And do you have information that indicates to you that when you say wiretaps by the Government, does that mean any taps authorized or implemented by any official of the Government, regardless of whether they are authorized pursuant to statute or not?

Mr. BUZHARDT. No. If I knew of any, I know of none that were actually done by anybody other than the agencies of Government.

Mr. LENZNER. Well, do you know who wiretapped Mr. Kraft's phone?

Mr. BUZHARDT. What wiretaps of Mr. Kraft's phone, I don't know. You could explain what—if you are talking about the allegation that somebody tapped Mr. Kraft's telephone at his home in Georgetown, which I have read in the paper. I know nothing more than I read in the paper, or any other public document.

Mr. LENZNER. You have received no other information with regard to that wiretap except what you have learned in the news media?

Mr. BUZHARDT. And reading it. I think it was referred to at some place in a transcript or tape, I don't know.

Mr. LENZNER. But you have received no information from any other source inside the Government with regard to that?

Mr. BUZHARDT. No.

Mr. LENZNER. That allegation?

Mr. BUZHARDT. No.

Mr. LENZNER. Now, did you also receive information with regard to electronic surveillance of F. Donald Nixon?

Mr. SILVERSTEIN. Excuse me.

Mr. BUZHARDT. No.

Mr. SILVERSTEIN. I have got to interrupt at this time. I am counsel here, too.

Now, the witness, I understood, has said he has no personal knowledge of anything pertaining to wiretaps. He has made it as clear as can be, and he is willing to answer any question, and I think you are going beyond and reaching the stage of harassing the witness.

Senator WEICKER. That is up to the Chair, and I am not going to rule on that. But, neither do I understand, to paraphrase Mr. Buzhardt's position, that he might or might not have information, but in this area of Government electronic surveillance wiretaps, whatever you want to call it, he is under a prohibition of executive privilege.

Mr. SILVERSTEIN. And he also stated, Senator, that he has no knowledge of any wiretaps.

Senator WEICKER. No, he didn't.

Mr. BUZHARDT. No, I didn't. If you will permit me to correct the record here. If there is a misunderstanding, I said I had—

Mr. SILVERSTEIN. Please, do.

Mr. BUZHARDT. [continuing]. I said I had no information except what I have read in public documents about the alleged wiretap of the telephone of Mr. Kraft in Georgetown. I believe that is where it

was, to the best of my recollections from the public documents. But, with respect to official activities, I am under directions not to testify with respect to them.

Mr. LENZNER. Well, do you know of a specific electronic surveillance that was conducted without authorization, pursuant to the existing statute for electronic surveillance?

Mr. BUZHARDT. You will have to pardon me a minute, because I am having to think.

No. To the best of my recollection and knowledge.

Mr. LENZNER. And did you receive information on occasion with regard to the wiretapping and surveillance of F. Donald Nixon?

Mr. BUZHARDT. Yes, I received such information.

Mr. LENZNER. And could you tell us, did you request such information to be furnished you?

Mr. BUZHARDT. I don't recall.

Mr. LENZNER. And do you recall who furnished you the information and what the nature of it was?

Mr. BUZHARDT. Yes, I recall. But, I cannot testify with respect to that, Mr. Lenzner, because it is subject to an assertion of executive privilege by the President. I am under an injunction not to.

Senator WEICKER. I understand. Now, am I to assume, because I think this will set the record straight and save a lot of further questions along this line, am I then to reassume by your response on F. Donald Nixon, the question posed by Mr. Lenzner, that that was an electronic surveillance by a Government agency and, therefore, falls within the executive privilege imposed on you by the President?

Mr. BUZHARDT. Yes, I think so, Senator Weicker.

Senator WEICKER. Because I take that, in other words, to be, because of your statement of executive privilege and your answer to the previous question of having no knowledge of ones that were outside.

Mr. BUZHARDT. Yes.

Senator WEICKER. I am talking now about——

Mr. BUZHARDT. Yes, I think that is right.

Senator WEICKER. Now, I think that Mr. Buzhardt has made this pretty clear, Terry, with that series of questions you posed, and with this, as to exactly where we are on this matter. I hope you can shorten this up a little bit.

Mr. LENZNER. Let me ask just one more question to clarify the record.

Do you know if that electronic surveillance was authorized by a court after the Attorney General authorized it, pursuant to the existing statute?

Mr. BUZHARDT. I obviously have the knowledge of the circumstances of this, Mr. Lenzner. I don't want to mislead the committee at all, but I cannot testify about the substance of it, and I cannot answer your question without going into the substance.

Mr. LENZNER. All right. Senator, the only thing I wanted to suggest for the record is that if wiretaps that Mr. Buzhardt is aware of, were not authorized pursuant to the statute or by the Attorney General, the fact that they may have been implemented by Government agencies does not necessarily make them legal. If, in fact, they were illegal wiretaps outside of the authority of the agency, or whoever

conducted them, then they would fall outside of the scope of executive privilege, and would be properly answerable here.

Senator WEICKER. But I gather from Mr. Buzhardt, and correct me if I am wrong, that he has responded that he does not know of any illegal wiretaps, whether they happened to be done by an individual and, therefore, are illegal, or whether they happened to be done by Government without proper authorization and are illegal.

Mr. BUZHARDT. That was my answer to his earlier question.

Mr. LENZNER. I think we are going to—I don't want to belabor this, and I am going to drop it, but I think I want to clarify the record, because I think what Mr. Buzhardt says is legal under his definition may not be the feeling of the committee, and I do not want to speak for the committee. But, I suspect perhaps Mr. Buzhardt is assuming any wiretap authorized by the President of the United States, even though it is not authorized by a court of law, nor is reviewed by the Department of Justice, is, in fact, a legal wiretap.

Senator WEICKER. Well, he has already answered your question. I don't think that he is trying to mislead at all on this point. Do you have any knowledge of wiretaps, electronic surveillance, which, though conducted by a Government agency, is illegal?

Mr. BUZHARDT. Not in my opinion, Senator Weicker.

Senator WEICKER. Do you have any knowledge—

Mr. BUZHARDT. And I am not, you know, I am familiar with the various—I am not an expert—but I am familiar with the various statutes that have been enacted from time to time and the court decisions on these matters.

Senator WEICKER. Do you have any knowledge of wiretaps, electronic surveillance, performed by sources, persons outside of the Government which per se would be without authority?

Mr. BUZHARDT. That is a very broad question, and it goes back a long time, Senator Weicker. Let me say, not in connection with anything I know you are interested in. Let me put it like that, other than what I have read in the newspapers or this sort of thing.

Senator WEICKER. Now, is there any further question, Terry, that you want on this point?

Mr. LENZNER. No; just one question. Did you ever advise Attorney General Richardson that, in fact, you had conducted an investigation with regard to electronic surveillance and had obtained certain material pursuant to that investigation?

Mr. BUZHARDT. I don't recall doing so, but I could have. I have never conducted an investigation.

Mr. LENZNER. So your answer would be, you never would have so represented that to Attorney General Richardson?

Mr. BUZHARDT. I may have discussed wiretaps with Attorney General Richardson. I am quite sure I did from time to time.

Mr. LENZNER. And was that discussion in the context of Mr. Cox's investigation then?

Mr. BUZHARDT. Yes, I am sure it was at one time or another.

Mr. LENZNER. And did you have other discussions with Attorney General Richardson with regard to other matters being investigated by Special Prosecutor Cox?

Mr. BUZHARDT. Probably, yes. I don't recall any specific one, but I am sure I did.

Mr. LENZNER. Do you recall whether that included a discussion of Cox's investigation of the personal finances relating to President Nixon?

Mr. BUZHARDT. It may have, I don't recall.

Mr. LENZNER. Did it also include conversations with Attorney General Richardson relating to the special prosecutor's investigation of Mr. Rebozo and the receipt of \$100,000?

Mr. BUZHARDT. No, I don't ever recall discussing that with him at all.

Mr. LENZNER. Did it include discussions with regard to Special Prosecutor Cox's investigation, or alleged investigation, of San Clemente?

Mr. BUZHARDT. It may have, I don't recall. I recall that I did discuss the issue of Mr. Cox's jurisdiction with Mr. Richardson from time to time. And you will recall, also, that I was Mr. Richardson's counsel at the time that he was appointed special prosecutor—I mean, Attorney General—at the time that he was selecting a special prosecutor. We have had a number of conversations—I have had a number of conversations with him since.

Mr. LENZNER. Were there discussions with regard to the electronic surveillance, particularly electronic surveillance by the Secret Service in the context of Special Prosecutor Cox's jurisdiction over that matter?

Mr. BUZHARDT. There may well have been.

Mr. LENZNER. Do you recall any other issues you discussed with Attorney General Richardson with regard to the investigation by Special Prosecutor Cox?

Mr. BUZHARDT. No. I recall I discussed with him Mr. Cox's jurisdiction, the jurisdiction of the special prosecutor, what it was, what it should be.

Mr. LENZNER. Were you doing that at the request of anybody?

Mr. BUZHARDT. I was doing that in my official function.

Mr. LENZNER. Well, then, did the President request on occasion that you discuss—

Mr. BUZHARDT. No.

Mr. LENZNER. Attorney General Richardson—

Mr. BUZHARDT. What the President requested of me falls within the attorney-client relationship and wouldn't—I can't discuss it.

Mr. LENZNER. Well, let me ask this, Mr. Chairman, if I can. Were you ever requested by President Nixon to direct Attorney General Richardson to direct Special Prosecutor Cox not to conduct investigations into certain areas?

Mr. BUZHARDT. What I was instructed by the President comes within the attorney-client relationship and I can't, without waiving the entirety of it, waive any part of it, and I just cannot answer that question on that ground.

Mr. LENZNER. What I am asking is, were you directed by the President to have Attorney General Richardson close down or shut off an investigation by Special Prosecutor Cox?

Senator WEICKER. As I understand it, Terry, and I am trying to be fair to your question, but the fact is the whole question is based on what the President instructed Mr. Buzhardt, and that is something that would fall within the attorney-client privilege.

Mr. LENZNER. Let me rephrase the question, Senator, if I can. Did you ever request Special Prosecutor Cox—Attorney General Richardson, to instructor Cox not to conduct an investigation into certain areas?

Mr. BUZHARDT. No, to the best—so I can clarify this, if I may, since you have got us out of what I consider the attorney-client relationship, I don't ever recall directing Mr. Richardson to do anything. I have discussed—I did discuss at the time, I am sure, Mr. Cox's jurisdiction, generally, and with regard to any number of specific areas, of what it was, what Mr. Richardson believed it to be, what Mr. Cox believed it to be. I also discussed it with Mr. Cox personally, probably on half a dozen occasions. Never do I remember giving either one of them anything like a direction. I certainly expressed, so there is no misunderstanding, I certainly expressed my opinions about the jurisdiction.

Mr. LENZNER. Mr. Buzhardt, did you learn of the break-in of Dr. Fielding's office prior to the time that it became public knowledge to the news media?

Mr. BUZHARDT. No. Well, let me say, and it is hard to remember back there, at the time I was at the Department of Defense, I guess. I remember it and, obviously, I had worked with the U.S. attorney out there and I don't recall whether it was in the public media first, or it was disclosed to the U.S. attorney, and he told me. But it was about the same time.

Mr. LENZNER. All right.

Mr. BUZHARDT. So, you know, I recall I did talk to him on the phone. The matter came up. Which is first, and I either learned about it in the news media about that time, or we were having a discussion and he told me about that time, or perhaps one of the people from the Department of Justice told me about that time.

Mr. LENZNER. But I take it, then, you are saying you have not had a discussion then with Messrs. Liddy, Krogh, Mardian, Young, with regard—or the President—with regard to the—well, skip, hold the President—Mardian, Krogh, Young, Liddy, with regard to the break-in of Dr. Fielding's office?

Mr. BUZHARDT. No, that wouldn't be correct, because I did have a conversation with Mr. Krogh, I believe, after his plea was in and while he was awaiting sentence recently.

Senator WEICKER. Yes. I think it is important to point out, Terry, so that there is no confusion on the record, your initial question to Mr. Buzhardt related to knowledge he had prior to the matter becoming public.

Mr. LENZNER. Right, right.

Senator WEICKER. Which Mr. Buzhardt denied, with the exception of what he referred to in his capacity over at the Department of Defense. Now, you are moving into another area, and I think it just ought to be pointed out.

Mr. BUZHARDT. I will be glad to say the occasion was—the judge requested, prior to sentencing, that Mr. Krogh be permitted to review certain classified files in the preparation of his statement to the judge. This request was relayed to us by the Office of the Special Prosecutor. We made the arrangements. Mr. Krogh came in to see his files and, at that time, he stopped by my office and I am sure we discussed the affair of Dr. Fielding.

Mr. LENZNER. Did you discuss who authorized the break-in of Dr. Fielding's office?

Mr. BUZHARDT. No; we did not.

Mr. LENZNER. And is that the only discussion you have had, either, or any other discussions with any individuals including Mr. Krogh, Mr. Mardian, Mr. Liddy, Mr. Young, Mr. Hunt, with regard to the Fielding break-in?

Mr. BUZHARDT. It is the only one I recall. I think I met Mr. Liddy once in my life. I haven't seen Mr. Young since he left the White House, and I never knew that he was in any way involved in it. I have never met Mr. Hunt in my life or talked to him, and when I met Mr. Liddy it was some long while ago.

Mr. LENZNER. All right, sir. Now, may I have this marked as exhibit 1.

[The material was marked as Buzhardt exhibit No. 1 for identification and is retained in the files of the committee.]

Mr. LENZNER. Mr. Buzhardt, you will note in your affidavit there that you say this memorandum, except the date, is identical to the document previously described in the affidavit of Leonard Garment dated July 5, 1973. It has been informally ascertained from the originator of the memorandum that it was originally prepared on November 22, 1971, and so dated. The date on the file copy was apparently changed by persons unknown to conform to the date of the President's meeting described therein.

My first question is: Who was the originator of that memorandum?

Mr. BUZHARDT. Mr. Lenzner, as this document sets out, the documents involved are subject to the same claim of executive privilege by the President, and on a matter pending in court and, of course, I am subject to the injunction of the President, of which I am aware, that this is a matter subject to executive privilege, so I could not answer your question.

Senator WEICKER. What is this memorandum?

Mr. BUZHARDT. Senator, this is an affidavit I filed with the court in the case of *Nader v. Butz, et al.*, the so-called *Milk* case. All of the documents were delivered to the court in camera for the court's inspection pursuant to a claim of executive privilege asserted with respect to them. The documents are listed and described by identifying memorandums, but not by content or specific author, or that type of thing. The court has not yet ruled on the claim. We expected it last week, but it hasn't come through.

Mr. LENZNER. Well, was it you, Mr. Buzhardt, who informally ascertained from the originator of the memorandum that was originally prepared on November 22?

Mr. BUZHARDT. No, it was not.

Mr. LENZNER. All right, sir, do you know when that was ascertained?

Mr. BUZHARDT. No, I do not. Sometime prior to the filing of this memorandum, this affidavit, and this was filed on the 16th day of November.

Mr. LENZNER. 1973.

Mr. BUZHARDT. And it says here, let me read it—

Mr. LENZNER. That is 1973.

Mr. BUZHARDT. 1973. It says here. I think it is a recitation of something that was said in the prior affidavit of Mr. Garment. I don't even recall this specific document.

Mr. LENZNER. Do you know where the original document was kept after it was prepared?

Mr. BUZHARDT. No, I do not.

Mr. LENZNER. Do you know who had access to it?

Mr. BUZHARDT. No, I do not.

Mr. LENZNER. Do you know of any other documents in the case of *Nader v. Butz*, where, in any way, they were changed or altered?

Mr. BUZHARDT. Not that I know of. May I say that this affidavit helps to clear the record a little bit. This affidavit indicates that a memorandum was filed previously with the court, and subsequently another memorandum, I presume, another copy, was obtained, to put another date on—that had another date on it. I don't recall the specific document anyhow, but it is subject to the claim of executive privilege.

Mr. ARMSTRONG. Mr. Buzhardt, other than the Hughes contribution to Mr. Rebozo of \$100,000, are you aware of any other cash contributions received by Mr. Rebozo prior to April 7, 1972, which Mr. Rebozo did not turn over to the campaign or the campaign committee, or authorized representatives of the campaign?

Mr. BUZHARDT. No. If you would so limit your question, I am not aware of any other campaign contributions he received which he did or did not give to the committee.

Mr. ARMSTRONG. OK. Now, regarding the transcripts of Presidential conversations released on April 30, 1974, it is my understanding that Mrs. Acker, Mrs. Yates, Mrs. Bakie, and Miss Woods were the individuals who transcribed, or nearly, the complete set of transcripts. Is that correct?

Mr. BUZHARDT. They were among those who worked on them; yes.

Mr. ARMSTRONG. Are there any other individuals who participated in that transcript—in the actual transcription?

Mr. BUZHARDT. Yes.

Mr. ARMSTRONG. Can you tell us their names?

Mr. BUZHARDT. Senator, if I might, I don't understand the relevance of that question.

Senator WEICKER. I have some difficulty with it myself. Scott, can you explain; can you tell us what it is you are trying to do here?

Mr. ARMSTRONG. If I can ask the second question, maybe—

Senator WEICKER. Go ahead.

Mr. ARMSTRONG. Can you tell us, Mr. Buzhardt, who—what individual or individuals participated in the editing of the transcripts? By that I mean, the exclusion of what are referred to in the transcripts as "expletives" and the deletion of material which is noted as "material unrelated to Presidential actions deleted."

Mr. BUZHARDT. I still don't understand the relevancy of the question.

Senator WEICKER. Perhaps counsel can tell us. Can you relay the basis?

Mr. ARMSTRONG. Senator, we have, as you know, two subpoenas outstanding for tapes, including, of course, some tapes that are not provided in the transcripts so far published. But a great number, excluding, I think, about 10 of the transcripts published, the rest of the conversations are presently under subpoena by the committee, and we are, of course, concerned about the completeness and the fullness of the transcripts themselves. And I would like at least to know what individuals made the judgment about what was to be included or what was not to be included in the public transcripts.

Senator WEICKER. Scott, I have a great deal of difficulty with that question.

Maybe Mr. Buzhardt can respond to it, and I don't know whether he can. I just don't see the relevancy to our mandate. That is my problem with this thing.

Mr. ARMSTRONG. Well, we are concerned initially with the completeness and the accuracy.

Senator WEICKER. If I may state, these transcripts were transcribed and handed over to the House Judiciary Committee; is that correct?

Mr. ARMSTRONG. Well, also, and additionally issued publicly.

Senator WEICKER. Well, issued publicly, but they were primarily handed over to the House Judiciary Committee. And I could understand the question, if I were on the House Judiciary Committee, and I would find it a lot easier to answer this question.

Mr. ARMSTRONG. It is our understanding that with regard to the pending court case, that these transcripts have become public, that we no longer have a need for the tapes, and we also have a second subpoena for access to 400 taped conversations.

Senator WEICKER. Which the court has not ruled on?

Mr. ARMSTRONG. On which there has been no—there has been no ruling. They haven't gone to court—on the first subpoena we have gone to court, and I understand that we are at the appeal stage.

Mr. BUZHARDT. If I may correct the record, Senator Weicker, I believe with respect to the second subpoena, that the judge, and I have forgotten which one quashed those subpoenas, but that was my understanding. I was not aware that an appeal had been filed from that.

Mr. ARMSTRONG. I was not aware they had been quashed.

Senator WEICKER. I think very frankly, Scott, I don't want to rule against you on the matter, but I would just as soon that you move on to other questions.

Mr. ARMSTRONG. All right. We were concerned, and we have received testimony from one of the individuals transcribing them, that they or she, herself, had not deleted any of the material and was not sure who had deleted it.

Senator WEICKER. Well, this enters into another area of investigation, and as I say, I am not indicating that it might not be worthy of investigation, but it just is not within the mandate of this committee. And I would think it would be much more pertinent to the House Judiciary Committee and/or any of the court cases. No one wants to hide any facts at all, and let the record so show. But I really think that insofar as this witness is concerned, we have to keep within the confines of our mandate, and I think that goes somewhat beyond it.

Mr. ARMSTRONG. OK. Mr. Buzhardt, have you ever advised any witness or prospective witness, scheduled to appear, or prospectively scheduled to appear before this committee, to turn their files over to the counsel's office, or, that is, counsel to the President's Office or to the Presidential papers files, or to Miss Gertrude Brown's secure filing area, and I am not sure how that is referred to in the White House, in order to protect those documents from subpoena?

Mr. BUZHARDT. Mr. Armstrong, on a number of occasions, as you are well aware, all papers prepared by White House staff—I do not say all papers; there are exceptions to that set forth in the White House regulations—the rest of the documents prepared in the course or conduct of business at the White House, generally speaking, unless they are personal documents, and I think that includes telephone logs, and calendars are considered the individual's personal property, but the papers prepared in the conduct of business are Presidential papers. I have certainly so advised witnesses appearing here, and I have advised them that in your request for a document, it should be referred to the opposite counsel, which, in turn, would be thereby taken up with the President for his decision. I hope I have advised all witnesses that I knew about, to that effect. I think it is general policy. It is stated in a written regulation. I think it was prepared by Mr. Dean. He was White House counsel and put out subject to regulation—guidelines.

Mr. ARMSTRONG. Can you tell us, Mr. Buzhardt, since April 30, 1973, what individuals have had access to Mr. Dean's files at the White House?

Mr. BUZHARDT. I am trying to think; Mr. Dean, on one occasion, myself on several occasions, members of my staff on probably several occasions that I know of. I haven't checked the logs to see.

Mr. ARMSTRONG. And have Mr. Haldeman and Mr. Ehrlichman and Mr. Higby ever had access to them, or their counsel?

Mr. BUZHARDT. No, not since May 23. That is the earliest date of which I can speak.

Mr. ARMSTRONG. That being the first time in which you had any control over those files?

Mr. BUZHARDT. Yes.

Senator WEICKER. Who determines, Mr. Buzhardt, access to Mr. Dean's files?

Mr. BUZHARDT. General—Senator Weicker, let me give you a—

Senator WEICKER. Senator. I got out as a captain and I was glad to get out.

Mr. BUZHARDT. Excuse me, Senator Weicker, I am sorry. Generally, the general rule is that a person can have access to the files on which he works while a member of the White House staff, so each can have access to his own. Otherwise, the President determines the access.

Now, for the purpose of making searches for documents, and that is the only one I recall that is pertinent to this case, to the files we are talking about, I have made a number of those searches, members of my staff have made a number of those searches, Mr. St. Clair has made a number of those searches. We have used other people where we thought they could be of assistance. All of those are done under

the Secret Service supervision. I think it is fairly well known now, that the logs of some of them are either an exhibit in Judge Sirica's case, or have certainly been—the whole record of supervision of access has been subject of public testimony.

Mr. ARMSTRONG. Have copies, excuse me—have copies of documents from Mr. Dean's files been made by any individuals that have had any access since May 23?

Mr. BUZHARDT. Yes.

Mr. ARMSTRONG. And excluding Mr. Dean, and Mr. Dean has had access, but was not allowed to make any copies.

Mr. BUZHARDT. I have made copies, any number of copies.

Mr. ARMSTRONG. And have these copies all been submitted to either Judge Sirica's court or this committee?

Mr. BUZHARDT. To the Special Prosecutor primarily.

Mr. ARMSTRONG. And you retained no copies of documents made from Mr. Dean's files?

Mr. BUZHARDT. Oh, no.

Mr. ARMSTRONG. That were not submitted?

Mr. BUZHARDT. Any documents that are ever copied, and it depends on whether we have been requested to provide the original or a copy, if the original is provided, a copy is reinserted with a note to that effect. If the document is copied and a copy submitted, then we have replaced it, we have put a note in the file that they were copied at that date and, also, a date, a notation on the log, and an inventory of every document that is copied and removed from the files for whatever purpose.

Mr. ARMSTRONG. Mr. Buzhardt, are you aware of any surreptitious entry or burglary performed by employees, representatives, or designees, in the U.S. Government, in the Executive Office of the President, or of any campaign organization, other than those entries involved in the Fielding burglary, and the two entries into the Watergate—the Democratic National Committee headquarters at the Watergate?

Mr. BUZHARDT. Yes.

Mr. ARMSTRONG. And can you tell us what those are?

Mr. BUZHARDT. No, I cannot. They don't have anything to do with your case, let me say, but these are matters that are classified, and I cannot discuss them.

Mr. ARMSTRONG. Have they occurred since January 1, 1969?

Mr. BUZHARDT. Yes.

Mr. ARMSTRONG. And were they performed by—were Mr. Liddy, Mr. Hunt, Mr. Krogh, or Mr. Young, involved in any way in these?

Mr. BUZHARDT. No; not to my knowledge. I don't know of anything they did except the Fielding thing, and I have read about the Greenspun thing. I don't know really whether they went in there or they didn't.

Mr. ARMSTRONG. Is that the privilege you have exerted there, is that executive privilege or national security?

Mr. BUZHARDT. Yes; it is both. And you will have to recall in this, that I did work in the Department of Defense a number of years. Certainly from 1960 to 1973, I did.

Mr. ARMSTRONG. Can you tell us if these entries were performed by the Federal Bureau of Investigation?

Mr. BUZHARDT. Yes, they were.

Mr. ARMSTRONG. They were?

Mr. BUZHARDT. Yes, they were.

Mr. SILVERSTEIN. Excuse me. Were these pertaining to the mandate of this committee?

Mr. BUZHARDT. No.

Mr. SILVERSTEIN. That you are aware of?

Mr. BUZHARDT. I don't think so; not as I understand the matter.

Mr. SILVERSTEIN. In your opinion?

Mr. BUZHARDT. In my opinion, no.

Mr. ARMSTRONG. And were they into the premises of any member of the news media or any elected official of the U.S. Government, or a candidate for public office of the U.S. Government?

Mr. BUZHARDT. Not insofar as I know.

Mr. ARMSTRONG. Were these entries in any way done at the instruction or under the advice of Mr. Ehrlichman or Mr. Haldeman?

Mr. BUZHARDT. I don't know.

Mr. ARMSTRONG. I am sorry?

Mr. BUZHARDT. I don't think so. I don't have any knowledge if they were.

Mr. LENZNER. Do you know if any funds were paid with regard to those activities that were related to, or derived from, campaign funds?

Mr. BUZHARDT. I know of no surreptitious entry in any way related to campaign funds, other than the ones we mentioned here.

Mr. ARMSTRONG. So the only other surreptitious burglary or entry are those performed by the Bureau that you are aware of?

Mr. BUZHARDT. Well, the Bureau or another agency of Government in its normal activities. You have not even limited it to the United States, so your question is quite broad.

Mr. ARMSTRONG. Within the domestic—

Mr. BUZHARDT. Within the continental limits of the United States, I know of none other than the Bureau investigation activities.

Mr. SCHULTZ. If I may, I believe the term "burglary" was used.

Mr. BUZHARDT. I was directing it at surreptitious entries.

Mr. SCHULTZ. Well, the term "burglary" was used, and are you satisfied with that term?

Mr. BUZHARDT. No. I have no knowledge of burglary.

Mr. ARMSTRONG. Are you acquainted with Mr. William Griffin, sir?

Mr. BUZHARDT. Mr. William Griffin?

Mr. ARMSTRONG. Yes. He was Mr. Abplanalp's attorney in the Precision Valve Corp.

Mr. BUZHARDT. No. I had a classmate named Bill Griffin, but obviously not the same one. He is a securities broker, I think, in North Carolina now. I don't think he would be the same one.

Mr. ARMSTRONG. Have you had any discussions with Mr. Griffin or any agent or representative of Mr. Griffin?

Mr. BUZHARDT. Not that I am—to my knowledge, no, since—unless he was the lawyer I talked to on the phone and, as I said—

Mr. ARMSTRONG. On behalf of Mr. Rebozo.

Mr. BUZHARDT. And I said I don't recall who he is. I don't know Mr. Griffin.

Mr. ARMSTRONG. Are you aware of any business or financial transactions between President Richard Nixon and Mr. William Griffin?

Mr. BUZHARDT. No.

Mr. LENZNER. Have you ever seen any memorandum at the White House or elsewhere that reflects information concerning Mr. Rebozo's fundraising activities?

Mr. BUZHARDT. No.

Mr. LENZNER. Have you ever seen any memorandum at the White House with Mr. Rebozo's name in the memorandum, to your recollection?

Mr. BUZHARDT. I don't recall any, but I may well have.

Senator WEICKER. Gentlemen?

Mr. BUZHARDT. I am sure—I will tell you I am sure I have seen him on daily diaries. He visited the President but I don't remember any specific—

Mr. LENZNER. Memos from Mr. Haldeman, Mr. Ehrlichman, or Mr. Dean, or anybody else?

Mr. BUZHARDT. No. Well, let me say, yes; I do recall one.

Mr. LENZNER. Can you recall what the substance of that was?

Mr. BUZHARDT. No, I don't recall the substance. I remember seeing a file that I turned over to the Special Prosecutor, which pertained in some way—it had something to do with Mr. Rebozo, something Mr. Fielding did, but I don't know what it was.

Mr. ARMSTRONG. Was this related to the Newsday—so-called Newsday investigation of Mr. Rebozo?

Mr. BUZHARDT. Yes. Newsday strikes a bell. I think so.

Mr. LENZNER. Do you recall ever seeing anything in any memorandum relating to any kind of contributions that Mr. Rebozo was to obtain to be used by the President, or the White House or the President's brothers?

Mr. BUZHARDT. No, and I don't believe such exists, just for the record.

Mr. LENZNER. And do you know Mr. Jack Cromer?

Mr. BUZHARDT. No.

Senator WEICKER. Are those all of the questions, Counsel? Does counsel for the minority have questions?

Now, this hearing is adjourned.

[Whereupon, at 1:30 p.m., the hearing was adjourned.]

FRIDAY, MAY 10, 1974

U.S. SENATE,
SELECT COMMITTEE ON
PRESIDENTIAL CAMPAIGN ACTIVITIES,
Washington, D.C.

The Select Committee met at 1:40 p.m., in the staff office of the Secretary of the Treasury, U.S. Treasury Department.

Present: Terry Lenzner, assistant chief counsel; Scott Armstrong, investigator.

Mr. LENZNER. This is an informal interview that Mr. Simon has agreed to have with the committee. And at the request of Mr. Simon, we will be glad to furnish him with a copy of the transcript as soon as it is available. And I would request Fred Ward to simply shoot that over here as soon as it is ready. And we will send it to Mr. Schmults.

Mr. SCHMULTS. Send it to me, Edward C. Schmults, general counsel at the Treasury.

Mr. ARMSTRONG. Just for the record, Mr. Simon, could we have your full name and home address?

**STATEMENT OF HON. WILLIAM E. SIMON, SECRETARY OF THE
TREASURY, ACCOMPANIED BY EDWARD C. SCHMULTS, GENERAL
COUNSEL, DEPARTMENT OF THE TREASURY**

Secretary SIMON. William E. Simon, Langley Place, McLean, Va.

Mr. LENZNER. And you have been Secretary of the Treasury since May 8, 1974? And prior to that you were Deputy Secretary from January 10, 1973?

Secretary SIMON. Yes, sir.

Mr. LENZNER. During your tenure as Deputy Secretary do you have any regular or occasional responsibilities in the area of either Secret Service or Internal Revenue Service?

Secretary SIMON. Let me explain. When George Shultz brought me in as his Deputy, you remember he had many additional duties in the White House as Assistant to the President and broad duties throughout the Government. And one of my responsibilities was the day-to-day operations of the Treasury. And my other responsibilities, of course, were getting involved in all the substance that George Shultz was involved in. And so when he wasn't here there was smooth transition, whether it is trade policy, tax policy, tax reform, economic policy, it just ran the economic gamut from A to Z. And that was our relationship.

Now, as far as the Secret Service, sure, sure, they are part of the law enforcement group here in the Treasury Department, and would, just in the day-to-day operations of that Bureau, come and ask my

opinions and decisions if indeed decisions were made. And if they are important enough decisions in any area, I always went to the Secretary, as I would be with him quite often with lists of various activities that occurred during the day that he couldn't become personally involved in.

The Internal Revenue Service reported directly to me. And there is one thing I wanted to say relative to your memorandum—I should say, to your telephone call to me. The other day, my secretary typed this up while you were reading it. In that first paragraph half way down you say: "It is his understanding that you had a one-time responsibility more or less as liaison, et cetera, between IRS and the White House." Not true.

"And Commissioner Alexander and others would report to you as well as Secretary Shultz." That is true. But principally to me. Well, principally to me when it came to the day-to-day operations of the Internal Revenue Service, the personnel problems, and the changes that are going on, tax policy, and all the mundane affairs. And many times a lot of these things, if not most of them, I would go in and discuss with George at the end of the day or the middle of the day, whenever it was.

Mr. ARMSTRONG. During the course of your responsibilities with regard to the Internal Revenue Service, did you participate on any regular basis in briefings regarding sensitive case reports?

Secretary SIMON. Yes.

Mr. ARMSTRONG. Will you give us the substance of those?

Secretary SIMON. When I was available, it happened in two or three different ways. Whether it was done in any regular basis or not, I couldn't say. It seemed like it was about every 3 or 4 weeks they would come over with their sensitive cases, and it would either be Johnny Walters or Johnny Walters and Roger Barth, or Roger Barth and of course later, Commissioner Alexander, usually by himself, if I remember correctly. And most often I would be in the room, and it would be Shultz and Simon and the Internal Revenue Service.

When on occasion it was Bill Simon in here and then George would get it at a later date if the schedule conflicted, then they would come in with their folder and they would hand me the folder and I would look at the cover page and I would look down the list of names and hand it back to him. And that was pretty much the extent of my sensitive case business—although we would discuss on occasions potential embarrassing things to the President, which was the purpose of the exercise.

Mr. ARMSTRONG. What period was this? Was there a time you dropped it, when that responsibility ceased?

Secretary SIMON. Well, it wasn't a matter of—I can definitely tell you that everything stopped in my life at the end of November when my energy thing started, which was pretty apparent to everybody. Ed Schmults took over my day-to-day duties and a lot of my substantive duties, if you will, in the Treasury from the end of November on. But it was sporadic, these sensitive cases, as far as my participation, though they tried to keep me posted, because if the Secretary is aware, obviously, as I said before, it is a good idea that I am aware, of the problems. But the sensitive case area was the Secretary's as far as notification and otherwise.

Mr. ARMSTRONG. After November you did not receive any sensitive case information, is that fair to assume?

Secretary SIMON. Now, to the best of my knowledge, they didn't come over during that period during any energy czarship, because I was over in the other building, with any sensitive case reports.

Mr. ARMSTRONG. You said they would come in and present you with a folder?

Secretary SIMON. They usually didn't come in just with that for the purpose of sensitive cases, they usually had other things to talk about, other day-to-day operational things that were as important to them, and certainly more important to me. I have a great deal of trouble since your telephone call to conjure up what object you had, because you can honestly say I never paid a damned bit of attention to most of this business.

We would be talking—Johnny Walters would come in, and he was dying to get out of here, because it was beginning to bite, his years in Government, and he was anxious to get into business. And one of my main jobs was staffing the Treasury Department—how are we doing getting candidates in here. Then he would go through all the interviewing process, and we selected Don Alexander—who his Deputy is going to be, and what we are going to do about this, and what about the new organization, and so and so wants to move back to San Francisco. This was primarily my relationship. But I would go to staff meetings over at IRS whenever I could, because I liked to show that they were part of the Treasury family, and the fact that I am visible there and interested in helping in any way I can with any of the problems they have got, that I thought was my important function, even though I didn't do it as much as I wanted to.

Mr. ARMSTRONG. Did you receive any oral elaboration on the sensitive case reports, or did you just read the folders as they were presented?

Secretary SIMON. I hardly ever read the folders.

Mr. ARMSTRONG. Did you skip the list of names?

Secretary SIMON. I would look at the names on the front page, and once in awhile I would go back and just say, what is the purpose of this, that type thing. And then there would be an oral elaboration. When the Secretary and I were together in his office, then it would come in and it would be all oral as far as any recipient. And a good deal of this time, as I say, I was elsewhere.

Mr. ARMSTRONG. Other than Commissioner Walters, Commissioner Alexander and Mr. Barth, was there anyone else that was ever present, any IRS?

Secretary SIMON. I can't say no with any certainty, because it is possible that on one or two occasions someone else might have been. But routinely, in the routine sensitive cases, it was as I described before.

Mr. ARMSTRONG. Now, during that period do you recall seeing sensitive case reports from the Hughes Tool Co.?

Secretary SIMON. I believe that that was on there when I arrived in the Treasury Department as one of the sensitive cases.

Mr. ARMSTRONG. And do you recall—by that time that John Meier one had stopped. Do you recall a sensitive case report of John Meier?

Secretary SIMON. If I recall it I never read it.

Mr. ARMSTRONG. Do you recall if, in the course of the Hughes Tool Co., the names of Donald Nixon or Larry O'Brien came up?

Secretary SIMON. Donald Nixon, I remember. And I remember having been in the room when O'Brien's name was discussed. But I never got into the substance of that conversation at all.

Mr. ARMSTRONG. And Mr. Rebozo's name?

Secretary SIMON. Yes.

Mr. ARMSTRONG. And Edward Nixon?

Secretary SIMON. I don't remember Edward Nixon, just Donald.

Mr. ARMSTRONG. Do you recall if there was any substantive discussion about the Hughes Tool Co. report, or any other of Donald Nixon's sensitive case reports in the period you were here?

Secretary SIMON. Well, it was all sort of rolled together in one conversation. Whether or not I sat in on all of the conversations is unknown to me. And I must admit that I wasn't paying that close attention to the substance of the deal other than it was a potential embarrassment to the President because of the closeness of these people to the President.

Mr. LENZNER. Will you describe the source of embarrassment, what was the context in which it was described?

Secretary SIMON. The way it was explained to me on the whole sensitive case report when I arrived here was, that this was a procedure that protected the President from potential embarrassment, leaks you wouldn't want to give the guy a Boy Scout award for and the next day he is indicted for something. So you would call over there and say, this man is being investigated, and that is the extent of the information. And that was the purpose of the exercise. So when a person was being investigated, audited, if you will, that was the potential embarrassment, if he was a visible fellow.

Mr. LENZNER. But it related solely to investigation and audit, not to other possible derogatory information that might be contained in the reports?

Secretary SIMON. Not dealing with the substance of what the findings are, and all that stuff.

Mr. LENZNER. For example, if an on-going investigation brought in another fact that didn't relate directly, say, to a tax investigation, and that was reported in the report, that would also, I take it, have been discussed as a possible embarrassment to the President if this person was associated with the President?

Secretary SIMON. There again, I didn't have conversations like that with the White House, so I am not aware—

Mr. LENZNER. I meant the conversations with regard to the sensitive reports here in the Treasury.

Secretary SIMON. Yes. Don Alexander in an oral presentation in Q's and A's would report on the aspects of the case to us, yes.

Mr. ARMSTRONG. What responsibility did you and Secretary Shultz have respectively for dealing with that information once you had received it?

Secretary SIMON. The Secretary routinely called, first, I believe, John Ehrlichman, and after that General Haig, to report on the sensitive cases, potential embarrassment.

Mr. SCHULTS. I think they were routinely called whenever he felt that there was a possibility of embarrassment.

Secretary SIMON. Not that they were routine, is what I meant.

Mr. ARMSTRONG. Did he ever report back to you on those conversations or give you a brief on what had transpired in his discussions with them?

Secretary SIMON. It is possible, because as I said, when we went down the laundry list of all the areas of the Treasury Department as we did, we kept very close on all suggestions—I can assure you that sensitive cases were right down at the bottom of the list of our activities, as Secretary and Deputy Secretary with the substance we had to deal with in the Treasury, and we didn't spend terribly much time in discussing that subject.

Mr. LENZNER. Did you get an impression as to how important it was to Mr. Ehrlichman, for example, or General Haig? Was there any feedback from Secretary Shultz for followup information that you could make some assessment as to how important it was to them, even though you obviously didn't feel it was terribly important?

Secretary SIMON. No, I wouldn't have been privy to those conversations between the Secretary and John Ehrlichman, no.

Mr. LENZNER. Did the Secretary ever come back and say, Mr. Ehrlichman or General Haig wants some followup information on any particular matter?

Secretary SIMON. No.

Mr. ARMSTRONG. Was there ever an expression of concern that the White House was particularly concerned about one or another of the areas that might have been brought up?

Secretary SIMON. The only area of concern that was ever expressed to me by anybody in the White House was leaks, newspaper stuff.

Mr. ARMSTRONG. That were coming from the Internal Revenue Service?

Secretary SIMON. They didn't know.

Mr. ARMSTRONG. Relating to tax information?

Secretary SIMON. Sure. And we were concerned about it too, for any taxpayer who called—remember, there were quite a few at that time, so that was the only area of concern that was ever expressed.

Mr. ARMSTRONG. Did there ever come a time when you had discussions with White House staff or White House personnel regarding the sensitive case reports or IRS investigations?

Secretary SIMON. Well, when you say White House staff or White House personnel, my conversations with the White House staff and White House personnel were to the President's assistant, Haig, or Garment, that is all. I would not talk to the staff personnel, I would talk right at the top level involving anything like this.

Mr. ARMSTRONG. I didn't mean that.

Secretary SIMON. Because I recognized the sensitive nature of the information, and had to be very discreet in any handling of it.

Mr. ARMSTRONG. Was this all subsequent to April 30? Did you ever talk to Mr. Ehrlichman or Mr. Haldeman or Mr. Dean?

Secretary SIMON. I can absolutely guarantee you that I never talked to Mr. Haldeman. Whether or not it ever came up in the presence of Mr. Ehrlichman—I don't believe so, no. Mr. Ehrlichman was involved in a great many of the domestic affairs which crossed economic policy, and we were in a multitude of meetings together in the 4

months that he was in Government that I was. So I can't swear that it wasn't brought up at that time, but I don't recall if it was.

Mr. ARMSTRONG. And Mr. Dean?

Secretary SIMON. I never saw Mr. Dean. I never talked to him.

Mr. ARMSTRONG. Do you recall when you first would have had discussion with Mr. Garment or Mr. Haig regarding an Internal Revenue Service matter?

Secretary SIMON. No, I wouldn't know an exact date.

When did Al come on, May 1 or April 1?

Mr. ARMSTRONG. It must have been early May.

Secretary SIMON. I would say that if there were conversations, what they were specifically, I don't recall, so they couldn't have been frightfully important. It would have occurred in May, but I would say that the majority of substantive conversations of substance would have been held with the Secretary on issues, although I did have a conversation with Len Garment on the substance of the Rebozo matter. And in looking up my records, it probably occurred at the end of May. I am trying to refresh my memory. But I couldn't guarantee it. But that is probably when we had this conversation.

Mr. ARMSTRONG. Had you discussed that conversation with General Haig earlier, or is this the first time that that subject had come up?

Secretary SIMON. I had probably discussed it with General Haig earlier. How much earlier is defined, I don't know. I couldn't guarantee that I did, but I probably did.

Mr. ARMSTRONG. Maybe the most expeditious way to proceed is, as best you can, can you recall the information that you learned and felt was necessary to pass on?

Secretary SIMON. OK. If I remember correctly—of course the White House long before had been notified that there was an investigation—I was giving them information, and I had to call Alexander, because I frankly didn't remember what the investigation was about. And it was about \$100,000. All right, it is about \$100,000 that Bebe Rebozo supposedly received from someone, Mr. Danner and Mr. Maheu. And what we were interested in from the Internal Revenue Service—Treasury Department point of view, was the tax liability side of it—two things, actually, one, when money is transferred from one person to another, the transferee has tax liability, perhaps. Well, that is one. And there was a second thing, and that is the nondisclosure aspect of it. And that is all.

Mr. ARMSTRONG. Can you pass on the substance of that? You think first to General Haig and then you say definitely to Mr. Garment?

Secretary SIMON. Yes. Whether I passed that on to General Haig or not I frankly don't know. But I definitely passed that along to Mr. Garment.

Mr. ARMSTRONG. You say in order to refresh your memory as to the details, you had to call Commissioner Alexander about it. Had there been a request for information on that, or did it just occur to you that you should pass it on, you needed more information?

Secretary SIMON. I believe they called to ask what is going on, an update on this thing. And that was it.

Mr. ARMSTRONG. So as best you can remember you did not receive any specific request for information?

Secretary SIMON. I will say, in looking at this they called and asked what the status was of this affair, and that is when I had to call Alexander and refresh my memory because I didn't frankly know.

Mr. ARMSTRONG. Do you recall from whom you received the call?

Secretary SIMON. I believe it was Len Garment.

Mr. ARMSTRONG. And do you recall what it was that prompted Mr. Garment's call? Was it a specific document?

Secretary SIMON. I notice I talked to Al Haig that day. Whether it was on that subject or not I have no idea, because from the day Al Haig took over in that job to this day, I talked to Al Haig probably as much as any person does in government. And I must admit, none of it was ever in relation to any Watergate stuff, we just have too much else on our plate over here in the Treasury, and we really haven't been involved in any of those discussions. But it is on my log. I don't know whether it came from Haig or not. And again going back to my first statement, I couldn't swear that that was the conversation that I had with Garment when I was telling him about the Rebozo thing. But it appears that that is when it was.

Mr. ARMSTRONG. But you do recall that Mr. Garment was aware that there was some investigation of Mr. Rebozo, and requested information on it?

Secretary SIMON. Oh, yes. As I said, that information had been given to the White House long before that.

Mr. ARMSTRONG. Do you recall when that information would have first gone over?

Secretary SIMON. Absolutely not.

Mr. ARMSTRONG. Was that an active case when you first stated sensitive case reports, do you recall?

Secretary SIMON. I don't recall. But that can be checked just by the date I came on board. Was he there? I don't remember, frankly.

Mr. LENZNER. You say you have daily entries. What day are we talking about, Mr. Simon?

Secretary SIMON. May 23. It is a telephone log.

Mr. LENZNER. And does it show a phone call from General Haig and then a return? What exactly does it show?

Secretary SIMON. It shows a phone call from Haig and from Garment.

Mr. LENZNER. You mean a conference call from them?

Secretary SIMON. Oh, no, two calls.

Mr. LENZNER. From General Haig first?

Secretary SIMON. Yes. But there again I could not swear they were relevant, that they were related.

Mr. LENZNER. The Haig call was first and the Garment call was second.

Secretary SIMON. Yes.

Mr. LENZNER. And you are not sure whether it was General Haig or Mr. Garment, then on May 23, 1973, who first raised the subject, but it was on that day that it was raised?

Secretary SIMON. I believe, in looking at it, that that appears to be a reasonable assumption.

Mr. LENZNER. And does your log show a phone call after that to one of these?

Secretary SIMON. To Mr. Alexander.

Mr. LENZNER. Does it show it after the Haig call, or after the Garment call, or after both?

Secretary SIMON. I believe after the Garment call. But I can check that, that is easy.

Mr. LENZNER. Is there any way of checking that now?

Secretary SIMON. We will check it.

Mr. LENZNER. One other question. How did you become aware that the report on the Rebozo investigation had been transmitted to the White House prior to May 23?

Secretary SIMON. Probably in my conversations here the last couple of days with Ed Schmults on the subject, and trying to refresh my memory on these things that I never paid much attention to. But there again it is not difficult for me to surmise when a visible name like Bebe Rebozo comes up that the Secretary would make that call, which was his function.

Mr. LENZNER. I know you were terribly busy in May of 1973. But do you have any recollection of knowing, when you talked to General Haig and Mr. Garment that, in fact, they had already received a report on the Rebozo matter at that time?

Secretary SIMON. No, because basically, I don't frankly remember what the conversation was, other than what I told you, I just remember talking to Len Garment about the issues involved. And that is all we talked about, was just the issues involved. But Bebe Rebozo was on that sensitive case, and the Hughes file in the sensitive cases. And it is a natural assumption that the notification had been made, I am sure.

Mr. LENZNER. When you talked to Commissioner Alexander, did he furnish you with anything other than an oral report?

Secretary SIMON. Yes, because he gave me this—he talked so fast—faster than you do—I am not a tax lawyer, and he started telling me about the transferor and the transferee and so I got a piece of paper with a paragraph that put it into English for a poor investment banker.

Mr. LENZNER. In other words, he sent something over to you summarizing—

Secretary SIMON. Yes.

Mr. LENZNER. And you used that memorandum to contact—

Secretary SIMON. Then I knew what I was talking about.

Mr. LENZNER. So that you could be sure you were furnishing him accurate information?

Secretary SIMON. Yes.

Mr. ARMSTRONG. The subject of the paragraph was the particular tax problem that he had, not the facts related to the case, do I understand that correctly?

Secretary SIMON. Not the facts, those—no, I beg your pardon, the facts relating to the case. First, he received \$100,000. He had been interviewed on whatever the date was before May 23. May 10, he was interviewed. And he had received \$100,000, two \$50,000 installments, or whatever it was, such and such. The substance of the issue was tax and not disclosure.

Mr. ARMSTRONG. He didn't elaborate on those two tax problems, what the ramifications of those were, and how they fit, or what criteria

would be used to determine whether or not you had any criminal liability or any tax liability?

Secretary SIMON. No, not really. It was pretty clear to me that the guy got \$100,000 and he kept it for a couple of years, that it was debatable. And that is what they were looking at.

Mr. LENZNER. In these kinds of areas, in the process itself, do they try to give you some kind of assessment so that General Haig or whoever it might be would have some feel for what the potential would be for embarrassment? I take it this has been done in prior administrations, and I am just wondering—

Secretary SIMON. I don't know, not in any of my conversations, because I attempted to use this very tender dependence and interdependence indeed, of Internal Revenue Service and the Treasury Department, as they are part of our family, and the White House. That is one of our functions, to make sure that compliance in our tax system is the most important thing to me, and to maintain the integrity of that group over there was my first and foremost responsibility, and I did it with vigor.

Mr. LENZNER. I understand that. What I am wondering about is, obviously the White House would have wanted some assessment or evaluation of the potential problem. Did the Commissioner give you any ideas, for example, as to how serious a problem it was? I think that is what you were after.

Mr. ARMSTRONG. The fit between the facts and the law, whether, if the situation were such that criteria were met, you would have a problem?

Secretary SIMON. Not to the best of my knowledge; no, sir.

Mr. ARMSTRONG. You don't recall him ever seeking such as that?

Secretary SIMON. The White House?

Mr. ARMSTRONG. Yes.

Secretary SIMON. No. Of course, these things come out in conversations here during the sensitive case report, sure.

Mr. LENZNER. You mean when they are bringing you the information initially?

Mr. SCHMULTS. Mr. Simon's telephone log on May 23 shows a call from General Haig. And then a call to Commissioner Alexander. And next a call from Mr. Garment. And then a call from Mr. Alexander.

Mr. LENZNER. Commissioner Alexander would be the last one?

Mr. SCHMULTS. Commissioner Alexander.

Mr. LENZNER. Does that log indicate whether the call to Commissioner Alexander was completed, or wouldn't it show that? I know the Department keeps that for the Attorney General. I don't know whether they keep it over here.

Secretary SIMON. No, they don't.

Mr. LENZNER. It would show that the call was placed, but it doesn't necessarily reflect—

Mr. SCHMULTS. No. The way Mr. Simon's logs are kept, as I understand it, when he receives a call, if he is busy and the call is not completed, and he returns the call at a later time, it still shows "from X". And that is when they enter it, because the call was initiated "from X," even though it may have been completed, and it is just a reverse in outgoing calls. It would show "to X" if "X" were busy when Mr.

Simon placed the call, and "X" returned the call later on, it would still show "to X" at a later time in the log. And that would be indeed even carried over to the next day, if you placed a call "to X" on Tuesday and "X" didn't return the call until Wednesday, it would show "to X" on Wednesday, and there would be no record on Tuesday.

Mr. LENZNER. In other words, based on that record, then, a call was made from General Haig, and then a call was placed to Commissioner Alexander, and then a call was from Garment, and then a call from Commissioner Alexander?

Mr. SCHMULTS. That is certainly likely, although, in fact, General Haig might have placed a call a day before or indeed 2 days before; you can't be sure from the logs.

Mr. LENZNER. It would show a call was completed on May 23 from General Haig?

Mr. SCHMULTS. That is correct.

Mr. ARMSTRONG. Do you recall if Mr. Garment requested that you send over any written material?

Secretary SIMON. No, I don't recall that.

Mr. ARMSTRONG. Do you still have the paragraph?

Secretary SIMON. Yes, I have the memorandums that Don Alexander prepared for me; yes I do.

Mr. LENZNER. Would it be possible for us to get a copy of that?

Mr. SCHMULTS. Can we talk about that for a minute off the record?

Mr. ARMSTRONG. Sure.

[Discussion off the record.]

Mr. ARMSTRONG. Do you recall what Mr. Garment's reaction was to the information you transmitted to him?

Secretary SIMON. There was none.

Mr. ARMSTRONG. Do you recall any concern on his part?

Secretary SIMON. Absolutely not.

Mr. ARMSTRONG. That he expressed at that time?

Secretary SIMON. Absolutely not.

Mr. ARMSTRONG. Did you have any subsequent conversations with Mr. Garment about this or any other tax matters?

Secretary SIMON. Whether this came up in the ensuing months when I was in and out of the White House 25 times in conversation, I really couldn't say one way or another. He asked me, when you people called him a month ago, and we talked about that kind of thing, would you refresh my memory. And I must admit, when he asked me about that a month ago, I didn't know as much as I did after having talked to Ed for the last couple of days, because I needed my memory refreshed, because I remembered it as well as I could.

Mr. ARMSTRONG. Mr. Garment called you a month ago in order to try to piece together conversations he had had with you previously?

Secretary SIMON. Yes.

Mr. ARMSTRONG. At that time did Mr. Garment recall any other conversations, or did you recall any?

Secretary SIMON. We didn't talk about that. He just asked me that one question, and I responded as best I could.

Mr. ARMSTRONG. Did you recall what the conversation was about?

Secretary SIMON. I didn't remember what the conversation was about, and I didn't remember the day or the month.

Mr. ARMSTRONG. You just remembered generally the subject?

Secretary SIMON. Yes.

Mr. ARMSTRONG. Do you recall at some time mentioning to Mr. Garment that there was a rumor—I think his term was “scuttlebutt”—around Washington that there was a \$1 million trust fund in which the President had some interest?

Secretary SIMON. When I was talking to Len a month ago, when he called me I said that that could have been the other topic that we would talk about at the same time as the Rebozo thing. But obviously that was impossible, because that didn't come out, I guess, in the newspaper until much later. So I was just getting months mixed up and obviously I didn't remember.

Mr. ARMSTRONG. Do you recall what your source of information was as to that \$1 million trust fund?

Secretary SIMON. The newspaper article.

Mr. ARMSTRONG. Simply a newspaper story?

Secretary SIMON. Sure.

Mr. ARMSTRONG. To your knowledge, have sensitive case reports or any other written terms which reflect the substance of sensitive case reports be sent over to the White House at any time? Has that ever been a procedure?

Secretary SIMON. I can guarantee that that is not a procedure as far as we here in the Treasury are concerned, to the best of my knowledge.

Mr. ARMSTRONG. Do you recall, yourself, seeing any investigative files or tax returns, anything other than sensitive case reports that related to this Rebozo matter?

Secretary SIMON. Like what?

Mr. ARMSTRONG. Like an actual investigative file or investigative report of an interview with Mr. Rebozo, or Mr. Rebozo's tax return, or anything like that?

Secretary SIMON. I never saw Mr. Rebozo's tax return. And I don't believe I saw any other investigative file either.

Mr. ARMSTRONG. Were you aware of any contact between the Secretary and the White House, or yourself and the White House, regarding the original scheduling of the interview with Mr. Rebozo, when they first talked about it?

Secretary SIMON. No.

Mr. ARMSTRONG. Do you know if that was an issue at any time, whether or not Mr. Rebozo would be willing to be interviewed, or when or how or under what conditions?

Secretary SIMON. Well, in reading the last few days, as I have, these memorandums that you have in front of you, it was a question. But that is not my role.

Mr. LENZNER. First, Mr. Simon, there is a notation in the upper right-hand corner in pencil. Is that your handwriting, “by hand”?

Secretary SIMON. No, it isn't. You would know my handwriting. You wouldn't be able to read it.

Mr. LENZNER. Then again in the lower right-hand corner on the bottom of the page there is additional handwriting. It refers to—do you know whose handwriting that is?

Secretary SIMON. I don't recognize it. And it is not mine.

Mr. LENZNER. Do you know if Secretary Shultz—is that a “GS” there above the date 4-12-73? Do you know if that is his initials or the way he signs off?

Secretary SIMON. No. I can show you lots of documents here on the way he signs off. He signs “GPS” to everything that he signs off on.

Mr. LENZNER. Do you know whose handwriting that might be, Ed?

Mr. SCHULTS. I was told by an attorney in the Watergate Special Prosecutor’s office that that handwriting is Commissioner Walters’ handwriting. I do not know that, but that is what they have told me.

Mr. LENZNER. I can’t read that handwriting.

[Discussion off the record.]

Mr. LENZNER. Did you say, sir, that these memorandums or any of these documents were ever copied or sent to anybody in the White House?

Secretary SIMON. No, to the best of my knowledge, I really don’t recall.

Mr. LENZNER. Now, when you discussed this with General Haig and Mr. Garment—

Secretary SIMON. I know I discussed it with Len Garment. Whether or not it was with Al Haig on this issue, I don’t recall. But it is reasonable to assume, as I say, that we discussed those things.

Mr. LENZNER. You say you discussed—

Secretary SIMON. This is the broad base, that is the \$100,000, and this is the substance, as I said before, of the tax and the nondisclosure.

Mr. LENZNER. On the face of this memo, it indicates that Mr. Rebozo, pursuant to the interview, told IRS agents that the reason why the funds were not used for campaign purposes was his understanding that more than enough money had been raised. Was that also communicated to Mr. Garment or General Haig?

Secretary SIMON. Not to the best of my knowledge. I broadly told them what the issue was about.

Mr. LENZNER. Do you have any recollection of whether any of the information contained either in the cover memorandum of May 23 to you from Commissioner Alexander, or the memorandum attached from John Walters to Secretary Shultz of February 23, 1973, whether any of that information contained therein was transmitted to any other individual at the White House?

Secretary SIMON. No. I am sorry, I don’t.

Mr. LENZNER. Was there any effort to request a copy of either the interview mentioned here with Mr. Rebozo, Mr. Danner, Donald Nixon, by you, or anybody else to your knowledge?

Secretary SIMON. No.

Mr. LENZNER. And I take it the second memorandum that was delivered by hand—it indicates 12-26—this was what you were referring to that you had asked Commissioner Alexander to put into language that you could understand better, is that correct?

Secretary SIMON. Yes.

Mr. ARMSTRONG. Subsequent to your conversation with Mr. Garment did you discuss with General Haig, Mr. Garment or anyone else in the White House, Mr. Rebozo’s tax problem or his situation?

Secretary SIMON. No.

Mr. ARMSTRONG. Or any other matters reported in sensitive case reports?

Secretary SIMON. Not to the best of my knowledge.

Mr. ARMSTRONG. I know you mentioned before that there might have been an occasional meeting in which somebody may have mentioned it in some other context.

Secretary SIMON. That is correct. And also, anytime there was a leak in the newspaper and they called up to complain, and let's get to the bottom of these leaks, they are embarrassing, they are indeed illegal, perhaps conversations ensued at that time on the substance, but not the substance as you and I know them.

Mr. LENZNER. At any time during your tenure as Deputy Secretary did you have any conversations with the Attorney General or anyone in the Department of Justice or the Special Prosecutor's office which related to this case?

Secretary SIMON. No.

Mr. LENZNER. And do you know if the Secretary or anyone else in the Treasury hierarchy had any discussion with these officials?

Secretary SIMON. No.

Mr. SCHMULTS. What time period are you talking about? Of course, there have been interviews.

Mr. ARMSTRONG. I am talking about during Mr. Simon's tenure as Deputy Secretary.

Mr. SCHMULTS. That would start in January—

Mr. ARMSTRONG. Up through November 1973 when he assumed his responsibility as the head of the Federal Energy Office, which I gather consumed the majority of his waking hours.

Secretary SIMON. Some of my sleeping hours, too.

Mr. LENZNER. One question in connection with that. Did there come a time prior to November 1973 that you learned that the Special Prosecutor's office was seeking to obtain disclosure from the Internal Revenue Service with regard to the \$100,000 received by Mr. Rebozo?

Secretary SIMON. If it came up in conversation in one of the routines, I don't remember it.

Mr. LENZNER. It doesn't flag anything in your memory now?

Secretary SIMON. No, sir.

Mr. LENZNER. Do you recall any discussions, specific discussions here at Treasury with IRS or others with regard to Special Prosecutor Cox initiating an investigation into the \$100,000?

Secretary SIMON. Here again, if it came up in the routine of sensitive cases, I wouldn't recall it. At that point I can just reemphasize what I said before, I must admit my attention during those sessions on sensitive cases was limited.

Mr. LENZNER. I understand that. This might have been outside the regular reporting and sensitive cases, if the Special Prosecutor's office had begun an investigation as part of their responsibilities, it might have come up outside of the regular sensitive case reporting system. But you don't have any recollection of that happening?

Secretary SIMON. No; I don't.

Mr. LENZNER. Do you have any recollection of anybody discussing that with you from the White House?

Secretary SIMON. No.

[Discussion off the record.]

Mr. ARMSTRONG. Do you recall ever seeing any material or being briefed on any sensitive case report material or similar information regarding Mr. Robert Abplanalp or the Precision Valve Corp.?

Secretary SIMON. No.

Mr. ARMSTRONG. It doesn't flag a bell similar to the one that Mr. Rebozo's would have as a close associate of the President's?

Secretary SIMON. No.

Mr. ARMSTRONG. Do you recall any sensitive case report that made mention of former Attorney General John Mitchell or any other similar investigative reports or materials?

Secretary SIMON. No.

Mr. ARMSTRONG. Or that made mention of the President other than simply his relationship to Mr. Rebozo or of Donald Nixon, his brother, or any that focused on him as a subject or potential subject?

Secretary SIMON. The income tax return.

Mr. ARMSTRONG. Other than that one specific audit, sir?

Secretary SIMON. No.

Mr. ARMSTRONG. And do you recall Larry O'Brien, any specific audit or any specific case report on Larry O'Brien during the time you were Deputy Secretary until you went to the Federal Energy Office?

Secretary SIMON. There again, if it was ever brought up, it didn't stick.

Mr. ARMSTRONG. And were there any other briefings or information provided on Donald Nixon other than those provided in the mention of his relationship to Mr. Meier or his potential relationship to the Hughes Tool Co.?

Secretary SIMON. To the best of my knowledge, that was it.

Mr. LENZNER. There is a notation in the February 23 memorandum from Mr. Walters to Secretary Shultz:

At this point, based on information we now have, I do not see the interview with Mr. Rebozo as leading to any action against him.

And also it goes on to say:

Unfortunately I cannot say that with the same degree of confidence in the case of Donald Nixon, because we do not have enough information.

Was that assessment communicated at any time to anybody at the White House?

Secretary SIMON. Not to the best of my knowledge.

Mr. LENZNER. Do you have any recollection of the question of interviewing Mr. Rebozo coming up prior to the May 23 phone contacts that you did have as an issue?

Secretary SIMON. I don't really recall when it was brought up. But obviously with the February memorandum it had to be brought up with Secretary Shultz and John Walters.

Mr. LENZNER. Were you tied into that at all? Were you aware that that was an issue at the time?

Secretary SIMON. I might have been in the usual routine, sure.

Mr. LENZNER. Do you recall whether or not there was any communications with any employee at the White House on the question of whether Mr. Rebozo should be interviewed?

Secretary SIMON. No, I don't recall, because I initiated none.

Mr. LENZNER. And you heard no discussion or received any information with regard to that question?

Secretary SIMON. No.

Mr. LENZNER. And do you have any recollection of seeing the February 23 memorandum prior to May 23?

Secretary SIMON. I don't know.

Again I must apologize for being necessarily vague. I wish we could talk about financial regulations and other things where I could be more specific.

Mr. ARMSTRONG. Do you recall ever having anyone, either an official of the Government or a private individual, perhaps associated closely with the Presidential race, ask any questions of you, or to your knowledge of any other Treasury official, regarding the ability of one to place a date on issuance or circulation of currency based on serial numbers? I am talking largely about large denomination currency, \$100 bills or what not. Do you recall that that subject ever came up?

Secretary SIMON. Don Alexander brought that up in the course of the briefings.

Mr. ARMSTRONG. In connection with the Hughes-Rebozo conversations?

Secretary SIMON. Yes.

Mr. ARMSTRONG. Do you recall how early that question came up? Was that as early as the beginning of the briefings on it?

Secretary SIMON. No, to the best of my memory it was later than that, much later than that.

Mr. ARMSTRONG. Do you recall whether it was prior to the beginning of your obligations, at the Federal Energy Office?

Secretary SIMON. No, I don't remember the exact time.

Mr. ARMSTRONG. I gather it most likely would have been, you would have had a little contact with him.

You would have had little contact after you moved over there?

Secretary SIMON. That is correct, although I did have contact with him after I was over there, because the IRS carried out our law enforcement program in the Energy Office, and we had a lot of problems there, and that is what we discussed.

Mr. LENZNER. Can you place it at any time around this May 23 phone contact? Would it have been before or after that?

Secretary SIMON. It was after that, that I do recall—I believe I recall.

Mr. LENZNER. Do you have any diaries, notes, or memorandums that might refresh your recollection as to when that happened?

Secretary SIMON. No.

Mr. LENZNER. You have not, I take it, prepared any memorandum that would reflect your knowledge of this whole matter chronologically, or anything like that?

Secretary SIMON. No, I never got that deeply involved in it to write enough on the subject.

Mr. ARMSTRONG. When the subject came up with Commissioner Alexander, was he indicating a problem or solution, proposed solution to problems that the IRS had, or was he seeking information himself, or in what context was that discussion?

Secretary SIMON. It was just part of the ongoing investigation with the Internal Revenue Service.

Mr. ARMSTRONG. They were attempting to trace the \$100,000, the dates of issuance using the serial numbers?

Secretary SIMON. Yes.

Mr. ARMSTRONG. Do you recall passing that information on to any one in the White House?

Secretary SIMON. No.

Mr. ARMSTRONG. Are you aware as to whether or not the Secretary might have briefed anyone on that?

Secretary SIMON. No.

Mr. ARMSTRONG. Did there ever come a time when you became aware that the Secretary had stopped briefing individuals in the White House in the Rebozo matter?

Secretary SIMON. I wouldn't know that.

Mr. SCHMULTS. Let me say that I don't know that we know that he briefed individuals in the White House on the Rebozo matter. That question indicates there was ongoing briefings. It is not a question of whether that was stopped or not. And I don't think Mr. Simon knows that there was such a process.

Mr. ARMSTRONG. Do you recall any discussion of a memorandum from the Director of the FBI to Commissioner Alexander regarding contact that the FBI special agent in charge of the Miami office had had with Mr. Rebozo in June of 1973? Does that ring a bell?

Secretary SIMON. The only thing I remember down there was the bank investigation. And that was IRS, that had nothing to do with the FBI. I can't remember anything about the FBI.

Mr. ARMSTRONG. Let me place the letter in different context. Do you recall a letter that discussed the fact that the special agent in charge of the Miami office had been called in by Mr. Rebozo and asked to tell him whether or not the \$100,000 could be traced or one can determine whether or not it had been held in a safety deposit box?

Secretary SIMON. No.

Mr. LENZNER. And ask him to be present for the removal and counting of the \$100,000?

Secretary SIMON. I don't recall that.

Mr. LENZNER. Let me ask you presently what the reporting system is regarding sensitive case reports, in particular the one we are focusing on with Mr. Rebozo to individuals in the White House, General Haig or others?

Secretary SIMON. I have only been back here a very brief period of time from the Federal Energy Office. And that is going to be one area that as the new Secretary, I am most certainly going to sit down and review with my General Counsel.

Mr. LENZNER. We, of course, have to make legislative recommendations very shortly in this area. Do you have any reflections on the necessity or efficacy of the sensitive case report system?

You are familiar, I am sure, with questions that are raised publicly as to the appropriateness and use of the information as it moves particularly from the Treasury to the White House?

Secretary SIMON. The only thing I know is the experience that I have had as Deputy Secretary working with George Shultz as Secre-

tary. And I, having known the way this great Department functioned, with the integrity that I have always believed that has been here—the major role of the Treasury Department is protecting the integrity of the service and keeping voluntary compliance as high as it is or higher, and so it has to be handled very, very carefully, and with great discretion.

Mr. ARMSTRONG. Let me ask you this. Do you believe it is necessary for information regarding the Internal Revenue Service including the fact that there is such an investigation, to be passed to the White House at all? Would it not be possible for the White House to clear appointments, for example, with a background chapter, whatever it would be appropriate, in other words, for the request to come from the White House to the Internal Revenue Service rather than the information come the other direction?

Secretary SIMON. I would say that this is part and parcel of what I want to get together with my general counsel on and discuss the whole subject of the sensitive case reports, and what their function is, and how they can best serve everyone, and most particularly the taxpayer and our system of taxes.

Mr. ARMSTRONG. If you have such an opportunity in the next couple of weeks, we are just about out of business, but if there is an opportunity to relate to us maybe your thoughts, this is a serious area we have got to deal with.

Secretary SIMON. You know, I would really like to do that, I seriously would. I think the relationship of the Internal Revenue Service and the Treasury Department is a very important one. And I think it is about time we sat down and looked at all the functions and facets. And I would be delighted to let you know what we think.

Mr. LENZNER. It will be invaluable to us, because you are a person that has had experience in this area, and you are looking down at the top, and we are looking at it from the standpoint of the Hill, and there are grave implications that might react on it adversely as to the way you see it, and we might like to get some information for the committee and other people.

Secretary SIMON. I would very definitely like to do that.

Mr. LENZNER. In that connection, let me ask this, Mr. Simon. Have you had an opportunity or has anybody reviewed Mr. Barth's file to determine what the nature of communications were, if any, between himself and the people at the White House? Do you know if any effort has been made in that area?

Secretary SIMON. No, I do not.

Mr. LENZNER. Had you been aware at all of an effort by the Internal Revenue Service to contact Mr. Rebozo after they learned in the spring of 1972 that he had received a \$100,000? In other words, back in 1972, during that period of time?

Secretary SIMON. No, sir. Not being here then, that would have been hard.

Mr. LENZNER. What I am really asking you is, have you received any information since you have been here that would reflect that?

Secretary SIMON. No, sir.

Mr. LENZNER. Were there any other telephone contacts on May 23 that were related to this subject besides the ones you have mentioned to us?

Secretary SIMON. Not to my knowledge, no sir. Here again, that is assuming that that is what those telephone conversations were, but it seems reasonable to assume that they were.

Mr. LENZNER. And in addition to not having sent copies of these memorandums, do you know if any written report has ever been submitted to the White House on this subject matter?

Secretary SIMON. No, I do not.

Mr. ARMSTRONG. Just a couple of very quick questions on the Secret Service, the first of which I imagine Mr. Schmults will interpose an objection to for the President.

Do you have any information as to the reason for or output of the wiretap the Secret Service conducted on F. Donald Nixon?

Mr. SCHMULTS. Mr. Armstrong, I would like to interrupt. As you know, we have a directive from the President asserting executive privilege as to this subject. And so I must ask that Mr. Simon not answer the question.

Mr. ARMSTRONG. During the course of your duties as Deputy Secretary was it ever brought to your attention that during the course of the previous campaign, the 1972 campaign, that reports on any of the Democratic Presidential candidates had found their way to the Committee To Re-Elect the President or to Mr. Haldeman? These are reports prepared by Secret Service agents who were providing them with protection?

Secretary SIMON. I don't remember whether I read that in the newspaper or not.

Mr. ARMSTRONG. There was one report in the newspaper which I believe came up during our hearings regarding a Pennsylvania visit that I believe Mr. McGovern had made.

Secretary SIMON. That is right.

Mr. ARMSTRONG. Do you recall any other instances, though, of any systematic abuses along that line?

Secretary SIMON. No.

Mr. ARMSTRONG. Or anything known as the Redwood report?

Secretary SIMON. What is that?

Mr. ARMSTRONG. Well, Redwood, I believe, is the Secret Service code name for Mr. McGovern, Senator McGovern.

Secretary SIMON. No.

Mr. ARMSTRONG. And in the course of their duties, I believe they report back on security problems they are having or just the general status reports. The reports, of course, would include personal information, or might include personal information.

Secretary SIMON. During the elections?

Mr. ARMSTRONG. I don't think the question is as to the reporting back, but the use of the information or where it might circulate. You don't recall any questions in that area?

Secretary SIMON. No sir.

Mr. SCHMULTS. At some point in time if you have any information that you think would be of interest to us here in the Treasury Department to pursue, we would very much like to have that. That is the first time that I have ever heard any reference to that.

Secretary SIMON. Me, too.

Mr. ARMSTRONG. We would be happy to provide whatever we can pull together in documents.

Mr. LENZNER. Have you had any contact with Mr. Fred Buzhardt with regard to the \$100,000 cash?

Secretary SIMON. Not to the best of my knowledge, no.

Mr. LENZNER. When Mr. Garment talked to you, did he indicate whether he had had any prior contact with the taxpayer, Mr. Rebozo, himself?

Secretary SIMON. He did not.

Mr. LENZNER. Have you since learned whether any officials of the White House have had any contact with Mr. Rebozo with regard to this matter?

Secretary SIMON. I had no further conversations with them over there on this. I didn't talk to them about you fellows coming here today.

Mr. LENZNER. I take it, then, that you have never attended any meetings with White House employees where this subject was discussed?

Secretary SIMON. If it came up in any obtuse fashion, I don't recall.

Mr. LENZNER. There was a notation in the sensitive case reports that Mr. Rebozo instructed another individual not to submit to an IRS interview. Do you have any recollection of that subject matter ever coming up?

Secretary SIMON. No sir.

Mr. LENZNER. And I think it related to F. Donald Nixon. Does that refresh your recollection at all?

Secretary SIMON. No sir.

Mr. LENZNER. Did you ever learn of the results of the interview on May 29, 1973, of F. Donald Nixon by IRS?

Secretary SIMON. No—I shouldn't say no so quickly.

Mr. LENZNER. To the best of your recollection?

Secretary SIMON. If I did learn it, I wasn't interested.

Mr. LENZNER. And did you ever receive any inquiries with regard to any of the facts relating to Mr. Larry O'Brien's employment by the Hughes Tool Co.?

Secretary SIMON. No.

Mr. LENZNER. Would you have any objection to furnishing us with a copy of the diary entry for the entire day of May 23, 1973?

Mr. SCHMULTS. No.

Mr. LENZNER. That is all we have. Thank you, Mr. Simon. We appreciate your cooperation and your help.

Secretary SIMON. As I say, I feel inadequate.

Mr. LENZNER. You have been helpful, and we appreciate the time you have given us out of your schedule. And if you could furnish us with any thoughts on that other matter, we would appreciate it.

Secretary SIMON. I promise you that I will do that.

Mr. LENZNER. We promise you that we will read it with great care and interest.

[Whereupon, at 2:53 p.m., the interview was concluded.]



MONDAY, MAY 13, 1974

U.S. SENATE,
SELECT COMMITTEE ON
PRESIDENTIAL CAMPAIGN ACTIVITIES,
Washington, D.C.

The Select Committee met, pursuant to notice, at 11:13 a.m., in room 324-A, Dirksen Senate Office Building.

Present: Senator Talmadge.

Also present: Scott Armstrong, Lee E. Sheehy, and Mary DeOreo, investigators; Richard Schultz, assistant minority counsel; Emily Sheketoff, minority investigator.

Senator TALMADGE. Mr. Brown, will you please raise your right hand?

Do you swear that the evidence you give to the Select Committee on Presidential Campaign Activities for the year 1972 shall be the truth, the whole truth, and nothing but the truth, so help you God?

Mr. BROWN. I do.

Senator TALMADGE. You may be seated, sir. Mr. Hall doesn't need swearing.

That's all?

[Recess.]

Mr. ARMSTRONG. Mr. Brown, could we have your full name and address for the record, please?

**TESTIMONY OF JACK WARREN BROWN, ACCOMPANIED BY
ANDREW C. HALL, COUNSEL**

Mr. BROWN. Jack Warren Brown, 7056 Southwest 21st Street, Miami, Fla.

Mr. ARMSTRONG. 7056 Southwest 21st Street? And you home phone, sir?

Mr. BROWN. 264-7802.

Mr. ARMSTRONG. And that's area code 305?

Mr. BROWN. Yes.

Mr. ARMSTRONG. And your present employment, sir.

Mr. BROWN. Key Biscayne Bank & Trust Co.

Mr. ARMSTRONG. And what position are you in?

Mr. BROWN. Auditor.

Mr. ARMSTRONG. And how long have you been in a position with that bank?

Mr. BROWN. Since December 1972.

Mr. ARMSTRONG. And were you employed by the bank prior to that time?

Mr. BROWN. Yes, I was.

Mr. ARMSTRONG. In what capacity?

Mr. BROWN. Assistant to the president.

Mr. ARMSTRONG. How long were you in that position, sir?

Mr. BROWN. February 1970 until December 1972.

Mr. ARMSTRONG. And prior to February 1970?

Mr. BROWN. I worked for my brother-in-law at Velvet Cream, Inc.

Mr. ARMSTRONG. In your capacity as assistant to the president, Key Biscayne Bank, what were your principal duties?

Mr. BROWN. Well, it was kind of a catch-all type thing. I did just about a little bit of everything. Wherever they needed anybody or were short of help, or what have you, that is where I went.

Mr. ARMSTRONG. Did you have any duties relating to the maintenance of the safety deposit boxes during that period?

Mr. BROWN. No, sir.

Mr. ARMSTRONG. And as auditor, can you tell us your principal duties?

Mr. BROWN. The principal duties are to audit the internal operations at the bank.

Mr. ARMSTRONG. And do you have duties, occasionally or regular, associated with the maintenance of safety deposit boxes within the bank?

Mr. BROWN. Only insofar as internal audit is concerned, to determine that rents are paid, check the contracts to make sure there are contracts.

Mr. ARMSTRONG. OK. In that function, the audit, the internal audit regarding safety deposit boxes, what records does the bank regularly keep on them?

Mr. BROWN. Do you mean for each individual box?

Mr. ARMSTRONG. Yes.

Mr. BROWN. We have a contract signed by the individual saying who is—if they're leasing a box—who is authorized to go into the box, and then you also have what they call an entry record, which is a signature card which the individual signs in and it also has the date that they got in, the time, and it is initialed by the attendant who allows them to go into the box.

Mr. ARMSTRONG. And is there a rental card or a payment card?

Mr. BROWN. Yes; there is, what they call a billing card.

Mr. ARMSTRONG. A billing card? And are there any exceptions to the billing card?

Mr. BROWN. The bank does not pay for their own boxes, nor does Mr. Rebozo pay for his. Those are the only exceptions.

Mr. ARMSTRONG. And can you tell us how many boxes the bank maintains?

Mr. BROWN. The bank has two. One that I use for my own purposes, and the other is for the board of directors.

Mr. ARMSTRONG. And the one that you use for your own purposes, does anyone besides yourself have access to that box?

Mr. BROWN. No.

Mr. ARMSTRONG. So you maintain the only key to that box?

Mr. BROWN. Yes, sir.

Mr. ARMSTRONG. And the box for the board of directors, is that box 633—oh, excuse me.

Mr. BROWN. I am not really sure of the number.

Mr. ARMSTRONG. Are the signatures—

Mr. HALL. Mr. Armstrong, if you are going to put in any documents, I would ask your indulgence by showing us what documents you are going to refer to.

Mr. ARMSTRONG. Certainly. I have a record before me which appears to be the visitation record and safety deposit box lease for box 222 at the Key Biscayne Bank, Key Biscayne, Fla., for which—I don't know whether it's G. B. or C. B. Grant and Mr. Wakefield and Mr. Rebozo have apparently at one time or another been signators. I would like you to identify that, if you can, Mr. Brown, and tell us if that appears to be the box for the board of directors.

Mr. BROWN. It appears to be. Mr. Grant was a vice president at one time, it was several years before I came there. This was October 14, 1966, I guess. I think he left shortly thereafter. Mr. Wakefield and Mr. Rebozo are still, at present, members of the board.

Mr. ARMSTRONG. That is the only page that pertains to that box.

Mr. HALL. Thank you.

Mr. ARMSTRONG. Now, can you tell us what boxes Mr. Rebozo maintains or how many boxes he maintains?

Mr. BROWN. To the best of my recollection he has two, other than the director's box, one was him and Mr. Wakefield, and one by himself, I believe.

Mr. ARMSTRONG. I have two more documents attached.

One is what purports to be a safety deposit box lease, and the other a visitation record, both for box 224, the signatures for which appear to be Mr. Rebozo and Mr. Wakefield, although Mr. Whitaker and a Mrs. Barker have also entered the box.

Does that appear to be the box you were referring to that Mr. Rebozo has with Mr. Wakefield?

Mr. BROWN. Yes, it is.

Mr. ARMSTRONG. And second, a record of a box that, in the name of C. G. Rebozo and Carolyn Rebozo and a visitation record and a safety deposit box lease for box 633.

Does this appear to be the box that you were referring to as Mr. Rebozo's?

Mr. BROWN. Yes, I didn't remember that his sister was on it also.

Mr. ARMSTRONG. They have been previously entered into the record and identified by Mr. Rebozo as evidence submitted.

Since the documents and the forms were entered in the record and are somewhat out of order, let me just say that box 633, box 222, and box 224 appear in book 21 as Rebozo exhibits 5, 4, and 3 respectively.

Now, Mr. Brown, are you aware of any other boxes to which Mr. Rebozo has access?

Mr. BROWN. Not to my knowledge.

Mr. HALL. Excuse me a minute. I am not certain as to what you mean by access. You might want to pin that down.

Mr. ARMSTRONG. Which to Mr. Brown's knowledge Mr. Rebozo has a key or has some proprietary interest.

Mr. BROWN. Not to my knowledge; no, sir.

Mr. ARMSTRONG. Now in your capacities at the bank, under whose direction do you normally work?

Mr. BROWN. Under the board of directors.

Mr. ARMSTRONG. And to whom do you normally report?

Mr. BROWN. Well, I make a report once a month collectively to the board of directors. Normally, if something came up, whichever one happened to be handy, if I needed to contact him, in most cases it would be Mr. Rebozo since his office is——

Mr. ARMSTRONG. Now, in the course of your duties at the Key Biscayne Bank has there ever been a time when you had made safety deposit box keys for anyone?

Mr. BROWN. When I have actually had safety deposit boxes, no.

Mr. ARMSTRONG. And are there any occasions on which you have drilled safety deposit boxes?

By that, I mean using a mechanical tool that is used to turn the lock itself and break it in such a way that it can be removed without a key.

Mr. BROWN. No; that would normally be done by Diebold in the presence of two security officers.

Mr. ARMSTRONG. But you yourself have never done that?

And has there ever come a time when you have changed the locks on the safety deposit boxes?

Mr. BROWN. Yes, sir, I have.

Mr. ARMSTRONG. And on how many such occasions have you changed locks?

Mr. BROWN. It is customary when somebody surrenders the box to change the lock. That is what I use—the one box I said is for my purposes, actually only has extra locks in it, so whenever somebody surrenders a box we customarily change keys.

I have also changed the locks on one of Mr. Rebozo's, but I don't know which one.

Mr. ARMSTRONG. Could you tell us what is involved in changing the locks, just briefly?

Mr. BROWN. Well, you open the box. The only way you can change it, of course, is the person has to have the key to open it.

Mr. ARMSTRONG. You open it with a key?

Mr. BROWN. You open it with a key and on the back of it there are four bolts or screws, actually, and you just screw it out and the whole lock assembly comes out and you put a new one in and screw it back in. That is a very simple matter.

Mr. ARMSTRONG. And in order to relock the box, you would need the new key to the new lock?

Mr. BROWN. Right.

Mr. ARMSTRONG. And in order to enter the box subsequently, one would need a new key?

Mr. BROWN. That's right.

Mr. ARMSTRONG. Now, do you recall—has there ever been a different procedure that you've followed? Have you ever had to force open the box?

Mr. BROWN. No. Anytime the box's both keys have been lost, Diebold has been called.

Mr. ARMSTRONG. Has there ever been a time when one key has been lost?

Mr. BROWN. Yes; on some occasions, and what we normally do is open the box, in that case, and switch the lock and give them another lock with two keys.

Mr. ARMSTRONG. Do you ever recall an instance in which you yourself made another key to replace a lost key?

Mr. BROWN. No, sir; not that I've ever made another key, no.

Mr. ARMSTRONG. Do you ever have blanks for those types of safety deposit boxes?

Mr. BROWN. No, again, Diebold normally makes them, of course.

Mr. ARMSTRONG. Now, when you change a lock, do you ever recall any irregularities at all, or is it usually the same procedure, you open it with at least one key?

Mr. BROWN. With the one remaining key?

Mr. HALL. Excuse me, Mr. Armstrong, when you use the word "irregularity", that presumes certain things to have occurred that were irregular.

Mr. ARMSTRONG. Anything other than the process that you have just described to us.

Mr. HALL. That is the normal routine, a different phrase would be more appropriate.

Mr. ARMSTRONG. Anything other than the normal routine?

Mr. BROWN. No.

Mr. ARMSTRONG. And do you recall when it was that Mr. Rebozo asked you to change the lock on his box? Was it Mr. Rebozo who requested you change it?

Mr. BROWN. Yes. I remember on one occasion, he did. He lost one key and couldn't find it and asked that I change the lock, so we went in and he opened the box and I changed the lock, but when it was, I really cannot say. I would be guessing if I tried to give you a date on it.

Mr. ARMSTRONG. Was it after the date when you became auditor of the bank?

Mr. BROWN. Yes, sir.

Mr. ARMSTRONG. Had you changed any locks prior to the date you became auditor?

Mr. BROWN. No, sir; not that I can recall.

Mr. ARMSTRONG. So it was subsequent to December 1972?

Mr. BROWN. Yes, sir.

Mr. ARMSTRONG. And do you recall if it was prior to the date when Mr. Rebozo's name came up in the press, approximately October 1973, when it came up in connection with the Howard Hughes contribution?

Mr. HALL. Just a minute. Are you talking about press matters, matters that are in the media?

Mr. ARMSTRONG. I am just talking—helping Mr. Brown recall the date.

Mr. HALL. Why don't you just refer to the date as October 1973. That would be more helpful.

Mr. ARMSTRONG. Do you recall if it was prior to October 1973?

Mr. BROWN. It was.

Mr. ARMSTRONG. Do you recall if it was prior to June 22, 1973?

Mr. BROWN. No, sir; I do not.

Mr. ARMSTRONG. Now, can you tell us or can you just describe what the circumstances were, when Mr. Rebozo first brought it to your attention that he had lost a key and needed the locks changed on one of the safety deposit boxes?

Mr. BROWN. Well, he called me into his office and said that he had lost the key to one of his boxes, and he had the one remaining key and could we change the lock without too much trouble, and I said, "Yes, sir." So he said, "OK, I'd like to change it then." And so he went in and opened the box, and I can't remember whether we took the box out or whether he stood and watched and we changed the lock, gave him the new set of keys, and closed it back.

Mr. ARMSTRONG. This was immediately after he called you into his office?

Mr. BROWN. Oh, yes.

Mr. ARMSTRONG. You proceeded directly to the vault?

Mr. BROWN. [Nods in the affirmative.]

Mr. ARMSTRONG. And you gave him both keys on that occasion?

Mr. BROWN. Yes, sir, I did.

Mr. ARMSTRONG. And did he ever give you back either of those keys?

Mr. BROWN. No, sir, he didn't.

Mr. ARMSTRONG. Did he indicate a necessity to make any copies of those keys?

Mr. BROWN. No, sir, he did not.

Mr. ARMSTRONG. And do you recall where, physically, he had it—the key that you used to open the box to change the locks—if he removed it from his pocket or had it in his hand or an envelope or what?

Mr. BROWN. I think he had it laying on his desk, but I am not really sure.

Mr. ARMSTRONG. Do you recall the size of the box that he changed?

Mr. BROWN. It was a 3 by 10.

Mr. ARMSTRONG. A 3 by 10 is 3 inches by 10 inches?

Mr. BROWN. Right.

Mr. ARMSTRONG. Can you tell us what the rental rate for a 3-by-10 box is?

Mr. BROWN. A 3 by 5 is \$8.

Mr. ARMSTRONG. A 3 by 5 is \$8?

Mr. BROWN. Yes. So a 3 by 10 is \$17.50, I believe.

Mr. ARMSTRONG. Well, actually all these figures are helpful. A 3 by 5 is \$8?

Mr. BROWN. Eight dollars.

Mr. ARMSTRONG. A 5 by 5 is?

Mr. BROWN. It is \$13, I believe.

Mr. ARMSTRONG. And a—

Mr. BROWN. A 3 by 10 would be \$17.50, and then a 10 by 10 is \$36. I believe there is a 5 by 10 that is—I'm not sure what the price on that was.

Mr. ARMSTRONG. OK. And did these rates change regularly? Have they changed since you've been there?

Mr. BROWN. No, sir, they have not.

Mr. ARMSTRONG. So you recall that a 3 by 10—

Mr. BROWN. To the best of my recollection; yes, sir.

Mr. ARMSTRONG. And did you pull out the box—I don't know how you refer to the box inside the compartment?

Mr. BROWN. No, sir, I did not, and I don't really recall whether Mr. Rebozo took it out or whether he left it there and watched us while we changed the box.

Mr. ARMSTRONG. It is not necessary that you remove it? You don't have to remove the internal box to change the locks because the door swings open?

Mr. BROWN. The door swings out, right.

Mr. ARMSTRONG. Now, is there any difference in the size of the locks according to the size of the box itself?

Mr. BROWN. No, sir.

Mr. ARMSTRONG. The locks are all identical?

Mr. BROWN. You have a right hand or a left hand hinge. That is the only difference in the locks themselves. In other words, some of them have the hasp or the locking mechanism on the right-hand side; some of them are on the left-hand side.

Mr. ARMSTRONG. Which is customary? Are they evenly divided, or is there a predominance?

Mr. BROWN. They are pretty well evenly divided.

Mr. ARMSTRONG. Do you recall what this was? Whether this was a left or a right handed?

Mr. BROWN. No, I don't, but the boxes normally swing together like—the doors swing together like so [indicating].

Mr. ARMSTRONG. You mean as a barn door would close?

Mr. BROWN. In other words, the two adjoining boxes would be even and the same sides of the door would swing.

Mr. ARMSTRONG. Now, during the time when you changed the locks on this box, was there anyone else present besides Mr. Rebozo and yourself?

Mr. BROWN. I think Mr. O'Sullivan was present. I'm pretty sure he was.

Mr. ARMSTRONG. And on that occasion, did you change locks on any of the other boxes?

Mr. BROWN. No, sir.

Mr. ARMSTRONG. Just that one? Was there any particular reason why Mr. O'Sullivan was present?

Mr. BROWN. Normally, we like to do anything with safety deposit boxes in the presence of two officers.

Mr. ARMSTRONG. That is in addition to yourself?

Mr. BROWN. Including myself and one other officer.

Mr. ARMSTRONG. Well, Mr. Rebozo is an officer.

Mr. BROWN. He is, but in this case, it was his box.

Mr. ARMSTRONG. So you are pretty sure Mr. O'Sullivan was present?

Mr. BROWN. Yes.

Mr. ARMSTRONG. Now, what happened to the key for the box from the lock that you removed? Actually, what happened to the lock and the key?

Mr. BROWN. Well, the lock would have gone back into my safety deposit box, and the one remaining key would have been sent to Diebold for a duplicate to have been made.

Mr. ARMSTRONG. And how would you have marked the key so that when you received it and its duplicate back, that you would have been able to match it up with the box, or with the lock?

Mr. BROWN. Well, normally, there would be only one or two of them at a time, so I would set the locks aside, separately when there is no key; and when the key comes back, we would just match them up with the lock, and we would——

Mr. ARMSTRONG. But you don't use any—there's no code or distinguishing characteristic?

Mr. BROWN. There is nothing on any of the locks.

Mr. ARMSTRONG. Well, do you recall if you did, in fact, get the duplicate for that and put the lock back in circulation?

Mr. BROWN. Yes, we did.

Mr. ARMSTRONG. Now is it customary to make any records when you change the lock on a safety deposit box to make a record that you have changed it?

Mr. BROWN. The only record would be such as we would normally charge the customer. We don't make a physical record that we've taken a lock out of so-and-so and put it so-and-so. Normally, the customer pays the charge of having a duplicate key made.

Mr. ARMSTRONG. In this case, would Mr. Rebozo have paid the charge?

Mr. BROWN. No, he wouldn't.

Mr. ARMSTRONG. Would that indicate then that the bank would have paid the charge on his behalf?

Mr. BROWN. Yes; more than likely.

Mr. ARMSTRONG. So during the period when keys were requested from the Diebold Co., there should be at least one key that was requested that was not in turn billed to a customer, is that correct?

Mr. BROWN. That's correct.

Mr. ARMSTRONG. Now how does the billing process work normally?

I realize it didn't happen in this case, but when you change a lock, what document or record do you use to bill a customer?

Mr. BROWN. We normally—when we change a lock, of course, the customer has to be there to have access to the box, so what we normally do is change the box, give him two keys, he surrenders the one remaining key, and it is sent out, and normally they just pay the girl for the safety box deposit, to the attendant. Either they pay her, there's a \$3 charge for the key, or they charge their account.

Mr. ARMSTRONG. And is there any document you fill out, any form that you complete?

Mr. BROWN. No, sir.

Mr. ARMSTRONG. So whatever record is kept would be a record that she would keep which amounts to a receipt for the customer or a billing to his account?

Mr. BROWN. Right.

Mr. ARMSTRONG. And do you know what form those are kept on?

Mr. BROWN. It is just a regular three-way charge, unless of course, the customer would pay her cash or something like that.

Mr. ARMSTRONG. If it is cash?

Mr. BROWN. If the cash is the only thing, an entry would be made to the general ledger account, safety deposit box key, stating that so-and-so paid for lost key.

Mr. ARMSTRONG. And it would state the name of the individual?

Mr. BROWN. Either the name or the box number.

Mr. ARMSTRONG. And the three-way charge, is the three-way charge slip used for anything else?

Mr. BROWN. Any charge or credit to a customer's account that could be used for—we have customers that want you to charge their account

for various things where they tell you to buy them some Treasury bills, or something of this nature, and we will put the charge to their account.

In other words, any charge to their account for any purpose, we would use this.

Mr. ARMSTRONG. This is what we laymen would refer to as a debit memorandum?

Mr. BROWN. Right, it's a debit memorandum exactly.

Mr. ARMSTRONG. And are the debit memorandums separated in any way? Are they collected in one place? Is there one copy that is chronologically kept?

Mr. BROWN. Normally, the original is sent to the customer in the mail. The second copy is sent to the computer center to be charged against his account and it goes back to the customer with his statement and then the pink copy, or our copy, normally goes attached to the back of the customer's individual—what we call "history sheet," our general information sheet.

Mr. ARMSTRONG. Is there any record on a chronological basis of such charges on a bankwide basis?

Mr. BROWN. No, sir, there is not.

Mr. ARMSTRONG. So the only way to recreate a chronological history of such transactions would be to go through each customer file?

Mr. BROWN. That, or go through the film. They are filmed, along with the checks and items.

Mr. ARMSTRONG. To go through each customer's account for the particular period or the customer file, and those are the two.

Mr. BROWN. Right.

Mr. ARMSTRONG. Now, is there a limit to the number of keys that are given out with a safety deposit box?

Mr. BROWN. Normally we give out two keys.

Mr. ARMSTRONG. Are there any exceptions to that rule?

Mr. BROWN. Not to my knowledge. There could well be, I guess, somewhere a third key. Then the key deposit, of course, is \$3 for a set of keys. So I suppose they could get a third. I don't know of anybody who has.

Mr. ARMSTRONG. Did Mr. Rebozo indicate that he had only two keys to the box and that one was lost? Did he explicitly say that?

Mr. BROWN. It was my understanding that he had lost one key, that he had lost a key and had this key and could we change the lock.

Mr. ARMSTRONG. And you gave him only two keys?

Mr. BROWN. Yes, sir, that's right.

Mr. ARMSTRONG. To the best of your knowledge about the keys, are these keys keys that could be duplicated by any locksmith, or is there anything atypical about the blanks, first of all.

Mr. HALL. Two questions. Which question do you want him to answer first?

Mr. ARMSTRONG. To the best of your knowledge and expertise, is there anything unusual about these blanks, the key blanks themselves?

Mr. HALL. I think you're getting into a funny area. Are you asking him as a layman, as a director of the bank or his knowledge as a locksmith? Be very precise.

Mr. ARMSTRONG. Within his experience as a bank auditor and as one who has changed a lot of safety deposit boxes.

Mr. HULL. Well, you are arguing again. In his experience as an auditor, fine, answer the question.

Mr. BROWN. I don't think it could be duplicated by an outside locksmith. I don't think they could.

Mr. ARMSTRONG. Did the bank every use anyone during the period that you were there other than the Diebold Co.?

Mr. BROWN. No, sir.

Mr. ARMSTRONG. In order to duplicate keys or to request additional equipment for the safety deposit boxes?

Mr. BROWN. No, sir.

Mr. ARMSTRONG. Customarily, when you change the locks on the boxes, is this an individual thing that is done on each at the customers' request, or is it done on a periodic basis?

Mr. BROWN. No; it is done one of two times: If the customer loses the key and comes in and requests us to do it, we do it, or if the customer surrenders the box for some reason or other, then customarily we change the lock so that—in other words, if he had an extra key and he supplied us only with two, theoretically he shouldn't be able to get back in there. But this prevents that. In other words, he couldn't go back to that same box and the same key wouldn't work.

Mr. ARMSTRONG. Having changed locks, when you send in the remaining key from the lock that has been removed to have it duplicated, do you normally do that with a group or as it occurs?

Mr. BROWN. As it occurs. We normally mail it to Diebold by registered mail and they mail it back.

Mr. ARMSTRONG. So that on the occasion that you changed Mr. Rebozo's lock, am I right in assuming that fairly close to that date there would be a single key mailed to the Diebold Co.?

Mr. BROWN. A single key. If there'd been any others changed in that particular timeframe—I don't recall any others, but there would be never more than two or three.

Mr. ARMSTRONG. But you didn't change any others?

Mr. BROWN. Not on that particular day, I don't recall changing any others around that particular time.

Mr. ARMSTRONG. Good. Incidentally, while I'm looking at these papers here, are there any other events that would help us narrow the period when this lock might have been changed?

Does your birthday fall in the first half of the year?

Mr. BROWN. No; it's in the second half.

Mr. ARMSTRONG. Prior to October?

Mr. BROWN. September 27th.

Mr. ARMSTRONG. I assume the lock was changed prior to your birthday, is that correct? Do you remember independently?

Mr. BROWN. I would think so, yes.

Mr. ARMSTRONG. Are there any other important dates that you associate during the year 1973, major events?

I am just asking for whatever help you can give us. Birth of a child, anything that might help you place it in time?

Mr. HALL. Jewish High Holidays?

Ms. SHEKETOFF. Anniversaries?

Mr. BROWN. My daughter was born on January 4 of that year; my anniversary was April 8.

Mr. HALL. Do these dates mean anything?

Mr. BROWN. Well, I'm trying to think, but I can't tie them in. I was trying to think of whether I could tie it in with my vacation, whether it was before or after I went on vacation, but I can't remember that either.

Mr. ARMSTRONG. Well, I want to come back to this here in a second, and there's one file that I need I don't have here.

Mr. HALL. Let's take a recess.

[Recess.]

Mr. ARMSTRONG. OK, we're back on the record.

Mr. Brown, first of all, I would like to show you a document which has three records on it, one is a visitation record, the other appears to be sort of an identification record of safety deposit boxes, notes, identification references and release, and what appears to be normally the flip side of it would have rental payment record.

Can you identify this as the type of form—regardless of the information that's on this particular one, that is written on it—the form itself is the type of form that you use?

Mr. BROWN. Yes; this is the contract form.

Mr. HALL. The middle of the two.

Mr. BROWN. The middle of the two is the contract form. This is the one they would normally sign when they go in.

Mr. HALL. You are talking about the top record?

Mr. BROWN. Yes; the top record is the visitation record that the person signs when they are going to go into the box and this—

Mr. HALL. Referring to the bottom record.

Mr. BROWN. The bottom record is the one that we record the date they paid their rent and when it is paid through, and so forth.

Mr. ARMSTRONG. All right. Now this particular one is filled out. It says: "Name, bank, box number 225." And the only other writing on it appears to be—the identification sheet is scratched out—and it says, "released October 12, 1971, number 225."

Mr. BROWN. The only thing I can think of—I really don't know anything about it.

Mr. HALL. Well, let's mark this.

Mr. ARMSTRONG. Let's have this marked as exhibit 1-A. And this next page is exhibit 1-B, and this again has what appears to be three forms on it. The top is visitation record for box 225, Key Biscayne Bank. The second is, I guess, the appointment of deputy form; and the third is the safety deposit box lease, which again is filled out for box 225, Key Biscayne Bank and signed by Mr. C. G. Rebozo.

[The documents referred to were marked Brown exhibits Nos. 1-A and 1-B for identification.*]

Now, would any of this be the flip side, the back side of exhibit 1-A, which is exhibit 1-B.

Mr. HALL. Just a minute. Are you asking if it is the reverse side of exhibit 1-A?

Mr. ARMSTRONG. Yes, any portion of it.

*See pp. 10969-70.

Mr. BROWN. Yes; it would be the flip side of the middle and the bottom.

Mr. ARMSTRONG. The lower two items on 1-A would be the back sides of the lower two items on 1-B?

Mr. BROWN. That's right.

Mr. ARMSTRONG. And that would comprise the extended form that the bank uses?

Mr. BROWN. Yes, that is correct.

Mr. ARMSTRONG. And on the visitation record, is the visitation record identical on both sides?

Mr. BROWN. Yes, it is.

Mr. ARMSTRONG. So I realize that it is hard for you to tell, because this one is completely blank, if it is the back side of this one, but the back side of 1-B, the top form on 1-B, would have a side similar to itself?

Mr. HALL. You're talking about the raw form?

Mr. ARMSTRONG. The raw form.

Mr. BROWN. The raw form, would have it; it is the same on both sides.

Mr. ARMSTRONG. Incidentally, while we are on this, were you aware of any other box that Mr. Rebozo had had at any prior point in time, prior to your assuming the duties as auditor?

Mr. BROWN. Not to my knowledge, no.

Mr. ARMSTRONG. Has this box come to your attention subsequently, this box No. 225 as having been a box Mr. Rebozo had access to?

Mr. BROWN. I can't really say. The number doesn't mean anything to me. I just know that he has a couple of boxes.

Mr. ARMSTRONG. OK. Have you ever been involved in a search for records associated with any safety deposit boxes to which Mr. Rebozo has access?

Mr. BROWN. No; I have not.

Mr. ARMSTRONG. OK. Are you aware of who, if anyone, has been involved in searching for records of safety deposit boxes of Mr. Rebozo.

Mr. BROWN. Mrs. Moncourt.

Mr. ARMSTRONG. You've had no role in that?

Mr. BROWN. No; I have not.

Mr. HALL. I think, comparing 1-A and 1-B, it would appear that 1-A is in fact the back side of the top item of 1-B and I base that—I think that that would be correct as to all of the information. It seems to me that 1-B, in fact, is the front sheet and 1-A is the back sheet. Is that right?

Mr. BROWN. No. This would be the reverse. This would be the front sheet and this should be the back sheet, but on the one you are right.

Mr. HALL. So as to the top item, 1-B is in fact the front sheet, 1-A is the back sheet. On the bottom two items, 1-B is the back sheet and 1-A is the front sheet.

Is that correct?

Mr. BROWN. That is correct.

Mr. ARMSTRONG. Now is the customer to fill out the form known as the identification or reference form? This one is filled out just to the extent of saying, "bank and 225," but is it customary to identify it as a particular account?

Mr. BROWN. Yes; with an individual we normally have the name, address and firm, et cetera.

Mr. ARMSTRONG. Would that hold true for Mr. Rebozo's personal boxes?

Mr. HALL. If you know.

Mr. BROWN. I don't know.

Mr. ARMSTRONG. And as you say, accounts for Mr. Rebozo or the bank would not have any rental payment records, is that correct?

Mr. BROWN. No; they would not, and this record is customarily not used. I have a separate card that they use for rental payment record. It's a blue card; it is similar to this.

Mr. ARMSTRONG. So the rental record—

Mr. BROWN. Is not actually kept with the contract.

Mr. ARMSTRONG. So the rental record in exhibit 1-A is not the same as what you were referring to previously as the billing card?

Mr. BROWN. That is correct.

Mr. ARMSTRONG. And the billing card itself?

Mr. BROWN. It is a blue card that contains substantially the same information.

Mr. ARMSTRONG. Which would be, roughly speaking, date paid, amount, expiration?

Mr. BROWN. That is correct.

Mr. ARMSTRONG. OK. And of course, the name of the account and the box number?

Mr. BROWN. That is correct.

Mr. ARMSTRONG. And who keeps, incidentally, the billing cards, the blue billing cards?

Mr. BROWN. They are in the custody of the safety deposit custodian. When she bills them—some of them come due on a monthly basis, and she bills them.

Mr. ARMSTRONG. And who is that presently?

Mr. BROWN. Mrs. Sheehan.

Mr. ARMSTRONG. And is that Majorie Sheehan?

Mr. BROWN. That is correct.

Mr. ARMSTRONG. Just for the record, if you can identify this, this is a questionnaire which I believe was prepared by some Government agency or other, and was reviewed with bank employees and auditors and so forth. It says at the top, "questionnaire, safety deposit boxes."

We can have it marked as exhibit 2 for identification.

[The document referred to was marked Brown exhibit No. 2 for identification.*]

Mr. BROWN. I have never seen this before, this particular one.

Mr. HALL. Do you know what agency normally this is a business record of?

Mr. ARMSTRONG. We have this in our file. Mr. Bellino has been working on this.

Mr. HALL. What is the source of the record?

Mr. ARMSTRONG. It is my understanding it is a Government agency that has supplied us with them.

Mr. HALL. What agency?

Mr. ARMSTRONG. I don't have that right now. If he hasn't seen it, I'm not going to go through it; it's not relevant.

*See p. 10971.

Mr. HALL. Then it's not relevant. Do you want to mark it anyway, just so we'll understand? It's an irrelevant document that has been presented.

Mr. ARMSTRONG. That is the one that Mr. Brown cannot identify.

Now I have here, Mr. Brown, a file copy of invoices prepared by the Diebold Co. for work done for the Key Biscayne Bank & Trust Co., and I would like you, if you can identify them we will have them marked as an exhibit, and if you cannot identify them I would still like to see if they could assist us in any way in placing them in time. There are three such invoices.

Mr. HALL. These are the only three you're talking about?

Mr. ARMSTRONG. Yes.

[The documents referred to were marked Brown exhibits Nos. 3-A, 3-B and 3-C, for identification.*]

Mr. ARMSTRONG. Mr. Brown, when did you assume your duties as auditor of the Key Biscayne Bank? What time of the month in December of 1972?

Mr. BROWN. It was late December. I believe the date was December 27.

Mr. ARMSTRONG. And prior to that time, you had not had any responsibilities pertaining to locks of safety deposit boxes, is that correct?

Mr. BROWN. No, sir.

Mr. ARMSTRONG. Incidentally, do you know who had that responsibility prior to that time? Was there an internal capacity to change the locks?

Mr. BROWN. There was, but which particular officer had it, I don't know; possibly Mr. Stearns.

Mr. ARMSTRONG. Did Mr. Stearns leave about that time?

Mr. BROWN. Yes, sir, he did.

Mr. ARMSTRONG. Now you have had an opportunity to peruse three documents, exhibits 3-A, 3-B, and 3-C.

First, let me ask you if during the course of your duties you had come into contact with documentation or invoices or materials from the Diebold Co.?

Mr. BROWN. The only reason I would ever have these was a spot-check with expense accounts to see if there was an invoice to back up the issuance of a check, or something of this nature.

Mr. ARMSTRONG. Is there any form you signed? Any Diebold form you signed when you send it to them, when you give them a work order, when you make a repair, or when you send them a—

Mr. BROWN. Yes.

They normally have—well, if they are there, they normally have a work order form that they fill out and it is signed by an officer detailing the work that they had done.

Mr. ARMSTRONG. That would be a repair service order?

Mr. BROWN. Yes.

Mr. ARMSTRONG. And this one we have here is a file copy of an invoice. Would you ever see such a document?

Mr. BROWN. The only time I would see it was like I said if during an audit of our expense accounts, I usually spot check a check. In other

*See pp. 10972-74.

words, I'll go through and I'll take a check and I'll go to see if we had an invoice to substantiate the issuance of that check.

Mr. ARMSTRONG. Do you recall if you've seen any of these three invoices in that capacity?

Mr. BROWN. Not to my knowledge.

Mr. ARMSTRONG. Well, let me see if the events described in here might help us in any way and place the changing of the locks in time?

Mr. HALL. Just so we're clear, you're not asking about those invoices, just using them to establish dates about the other questions you've already asked.

Mr. ARMSTRONG. Yes.

Mr. HALL. All right.

Mr. ARMSTRONG. How regularly, or how often, is it necessary to drill safety deposit boxes—for the Diebold people to come and drill them?

Mr. BROWN. Very, very, very few times that I can recall ever having them.

Mr. ARMSTRONG. Do you recall the necessity to drill a box in March 1973, about mid-March 1973?

Mr. BROWN. If I knew the name involved, it might jar a memory, but the box number by itself does not mean anything.

Mr. ARMSTRONG. OK, just to make the record clear, Mr. Brown seems to be making reference to the invoices shown previously which have reference to box 412.

Mr. HALL. That is correct.

Mr. ARMSTRONG. And a box number.

Mr. HALL. I think what he is telling you is that it's not helping pin the date down.

Mr. ARMSTRONG. OK. And do you recall an occasion when it was necessary to replace the Plexiglas and flange on the drive-in window at the Key Biscayne Bank.

Mr. BROWN. I don't know what you're talking about—oh, yes, I do, too.

There was an occasion where a teller had the drive-up window out and a car hit it—the chute that slides out and has got a Plexiglas cover on top of it.

Mr. ARMSTRONG. Do you recall if the occasion of that instance was in any particular proximity to the time that you changed Mr. Rebozo's—the locks on his safety deposit box?

Mr. BROWN. No, I am afraid I don't.

Mr. ARMSTRONG. Incidentally, when you were submitting a group of keys to have duplicates made for safety deposit box keys, if these were boxes that had been relinquished, and I gather they might accumulate, you might turn them in at one time, several at a time—

Mr. HALL. Well, wait a minute. I don't understand what that question is? How about restating it?

Mr. ARMSTRONG. On occasion, do you collect several safety deposit box keys from boxes which have been relinquished, keys that have been relinquished when there was a lost key?

Mr. HALL. Well let me see if I can understand you. You're asking him whether he attempts to accumulate the number of orders that go to Diebold and submit them in a group?

Mr. ARMSTRONG. Right.

Mr. HALL. OK.

Mr. BROWN. Not consciously. Sometimes, if it comes in the proximity when the Diebold man is going to be there, they carry the equipment to make keys with them, so if we do need any keys we customarily have them made then, if not, we send them on to them by registered mail. We try to do it concurrent because we don't want to get a lot of keys, because then you are presented by the problem of not knowing which key goes back to which lock.

That is customarily done by the safety deposit box custodian.

Mr. ARMSTRONG. OK; and you distinctly recall that the process of securing the duplicate to Mr. Rebozo's key, you mailed the key in to the Diebold people?

Mr. HALL. The question is, do you?

Mr. ARMSTRONG. Do you distinctly remember that?

Mr. BROWN. I couldn't swear positively. I think it was mailed in.

Mr. ARMSTRONG. Do you recall if there were other keys that accompanied that key when it was submitted, or when the duplicates were made?

Mr. BROWN. I cannot be positive. I seem to remember that it did go by itself.

Mr. ARMSTRONG. One last question. Let's see if we can identify the box in question.

Do you recall if the location of the box in relation with the rest of the room, whether it was toward the bottom, or on the floor?

Mr. BROWN. I would say it was about midway up, toward the rear of the vault on the lefthand side as you moved in.

Mr. ARMSTRONG. And are you familiar with the numbering system as such, that you could give us or tell us?

Mr. BROWN. Well, it's kind of a random numbering system since they've added four sections since the original numbering and they don't run in any kind of concurrent order.

Mr. ARMSTRONG. Would this be one of the new sections?

Mr. BROWN. No, it would be one of the older, and I—well, I really don't know what the number of it would be. If I looked at it, I could probably pick it out, near to the number, but not the exact number, but I don't remember the exact box.

Mr. ARMSTRONG. But it is your recollection it was a 3 by 10 box, not one of the square boxes?

Mr. BROWN. Right.

Mr. ARMSTRONG. It was one of the rectangular 3 by 10?

Mr. BROWN. 3 by 10 or 5 by 10, it could be, but I think it was 3 by 10.

Mr. ARMSTRONG. OK. Before, when you were trying to give us the approximate rates, I'm not sure you gave us the rate for 5 by 10. I think it was the 3 by 10 and the 5 by 10.

Mr. BROWN. Yes. I'm not sure. On the 5 by 10, I'm not sure of the rate.

Mr. ARMSTRONG. It certainly would not be less than \$17.50?

Mr. BROWN. No; it would not be. Somewhere between \$17.50 and \$36.

Mr. ARMSTRONG. Do you have anything on the safety deposit boxes, Dick?

Mr. SCHULTZ. No.

Mr. ARMSTRONG. Lee?

Mr. SHEEHY. No.

Mr. ARMSTRONG. Are you aware of whether or not President Nixon or any member of his family maintained safety deposit boxes at the bank?

Mr. BROWN. No; they do not.

Mr. ARMSTRONG. Or Mr. Abplanalp or Mr. Griffin? Are you familiar with Mr. Abplanalp?

Mr. BROWN. Yes; I am.

Mr. ARMSTRONG. And Mr. Griffin.

Mr. BROWN. Mr. Griffin does not have one, Mr. Abplanalp may well be; he is a director of the bank, so he may well have access.

Mr. ARMSTRONG. But apart from that box?

Mr. BROWN. No, sir.

Mr. ARMSTRONG. Now, did there—from time to time, did you sign invoices or work orders on Mr. Rebozo's behalf for his personal—relating to his personal business as opposed to the bank's business?

Mr. BROWN. I have in the past, yes.

Mr. ARMSTRONG. And have you ever done the same thing, signed invoices or work orders or lease agreements on the President's behalf?

Mr. BROWN. No, sir—well, yes; I did sign a couple of work orders.

Mr. ARMSTRONG. And can you tell us what those were?

Mr. BROWN. Contracts in relation to the screen and the carpeting when the swimming pool was put in.

Mr. ARMSTRONG. Just briefly, can you tell us what the screening and carpeting consists of in relationship to the swimming pool?

Mr. BROWN. The screening is—the swimming pool itself is screened in. It is like a patio type thing, and the screen goes all around the outside of the patio and covers the pool. It was an indoor/outdoor type; one of these green grass type carpets was put out also on the patio around the pool area.

Mr. ARMSTRONG. And is this at 500 Bay Lane?

Mr. BROWN. Yes, sir.

Mr. ARMSTRONG. Can you tell us at whose request you signed those work orders?

Mr. BROWN. I think it was Mr. Rebozo.

Mr. ARMSTRONG. Did Mr. Rebozo indicate to you on whose behalf, or who was paying for the work that was being done?

Mr. BROWN. No, sir, he did not.

Mr. ARMSTRONG. And have there been any other occasions that you recall where you have signed work orders for 500 Bay Lane, or on behalf of the President or lend-leases or purchase agreements?

Mr. BROWN. Not to my knowledge.

Mr. ARMSTRONG. OK. Do you recall a lease agreement for a water tank for the Belcher Oil Co.?

Mr. BROWN. That's the pool heater.

Mr. ARMSTRONG. The pool heater?

Now, is there a water tank and then a heater that is separate from the water tank, a purchase agreement for the heater and a lend-lease agreement for the water tank?

Mr. BROWN. You mean a water tank, or a fuel tank?

Mr. ARMSTRONG. It could well be a fuel tank.

Mr. BROWN. I am trying to recall now, but I think we purchased the tank separate from the purchase of the heater, although they may have leased it to us in return for buying fuel, I am not sure what the agreement was.

Mr. ARMSTRONG. Do you recall at whose request you would have signed those agreements?

Mr. BROWN. That would be Mr. Rebozo.

Mr. ARMSTRONG. OK.

Mr. HALL. Do you have those agreements with you?

Mr. ARMSTRONG. No; I don't. We hope to shortly.

Incidentally, can you tell us the company that did the screening and carpeting?

Mr. BROWN. The screening was done by a company called Climatrol—C-l-i-m-a-t-r-o-l, I believe it is—and the carpeting was put in by Paul's Carpet.

Mr. ARMSTRONG. And can you tell us where Climatrol is located?

Mr. BROWN. They are located in Miami, the exact address I do not know. Somewhere out near Hialeah, I believe.

Mr. ARMSTRONG. And Paul's Carpet?

Mr. BROWN. They are down on Northwest Second Avenue, I believe it is.

Mr. ARMSTRONG. In Miami?

Mr. BROWN. In Miami.

Mr. ARMSTRONG. OK. Now do you recall signing any other purchase agreements, leases, or work orders on behalf of the President or at 500 Bay Lane or at 516 Bay Lane?

Mr. BROWN. Well, let's see, the screening, the carpet, at the pool, heater, possibly a service agreement on the pool heater. I cannot think of anything else that was signed in reference to the——

Mr. ARMSTRONG. I gather all these things were associated with the installation of the swimming pool?

Mr. BROWN. Yes, sir, they were.

Mr. ARMSTRONG. Were there any other instances, any other times?

Mr. BROWN. No, sir.

Mr. ARMSTRONG. Were you ever there to receive goods on behalf of the President?

Mr. BROWN. No, sir.

Mr. ARMSTRONG. When someone made a delivery, or perhaps when someone made a delivery to 490 Bay Lane?

Mr. BROWN. Not to my knowledge.

Mr. ARMSTRONG. OK. And are you aware of whether or not Mr. Rebozo paid for any of these services or equipment or for the pool itself on the President's behalf?

Mr. BROWN. The only thing I was told was that the invoices were to be forwarded to Mr. Wakefield's office.

Mr. ARMSTRONG. The invoices should all be forwarded to Mr. Wakefield, Mr. Thomas Wakefield?

Mr. BROWN. Yes, sir.

Mr. ARMSTRONG. Of Wakefield, Hewitt & Webster?

Mr. BROWN. Yes, sir.

Mr. ARMSTRONG. And did you ever receive any instructions other than that?

Mr. BROWN. No, sir. Any bills we got that were mailed to us were mailed to him. I assume they were paid. I never heard any more about it.

Mr. SHEEHY. Do you know the relative amounts of the expenditures for the screen and for the carpeting? Just generally? I know you might not remember the exact dollars and cents.

Mr. BROWN. It seems that the screen was somewhere around \$1,800 and the carpet was somewhere around \$500.

Mr. SHEEHY. And these were all done pretty much contemporaneous with the installation of the pool?

Mr. BROWN. Yes; they were all done—it was all done over a period of 2 or 3 weeks.

Mr. SHEEHY. Late 1972, in December 1972? Can you remember?

Mr. BROWN. Yes; I think that's about the time it was.

Mr. SHEEHY. Were there any others, I guess, like pool furniture or a diving board? Were they installed with the pool, or did they come independent of that from another source?

Mr. HALL. If there is any.

Mr. SHEEHY. If there was one.

Mr. BROWN. Not to my knowledge. I don't even think there's a diving board on the pool. There was not, I believe, at the time. We might have subsequently put one on, but I have no knowledge of it.

Mr. SHEEHY. That's all.

Mr. ARMSTRONG. I have a couple of more questions, here. Are you familiar with a Mr. Richard Danner?

Mr. BROWN. No, sir.

Mr. ARMSTRONG. A Mr. Robert Maheu?

Mr. BROWN. No, sir.

Mr. ARMSTRONG. And on any occasion, has Mr. Rebozo discussed with you, or do you have any independent knowledge—independent, that is, of the media sources—of the so-called \$100,000 contribution from Mr. Hughes to Mr. Rebozo.

Mr. HALL. Just a minute. Let's repeat the question; I missed it.

Mr. ARMSTRONG. Do you have any knowledge, independent of media sources, independent of what is available in the journalistic media, from Mr. Rebozo or others, regarding the \$100,000 contribution from Mr. Howard Hughes to Mr. Rebozo?

Mr. BROWN. You are waiting for me to answer.

Mr. HALL. Of course, you're excluding attorney-client privilege here, and things like that.

Mr. ARMSTRONG. I'm asking for any information he might have learned.

Mr. HALL. Well, the first thing is, do you have any information independent of the media, so answer that.

Mr. BROWN. No, sir, I do not.

Mr. ARMSTRONG. OK. And on any occasion, has Mr. Rebozo asked you to secure for him, or pick up for him, a quantity of currency in \$100 bills since January 1, 1969?

Mr. BROWN. No, sir, he hasn't.

Mr. ARMSTRONG. And have you ever seen Mr. Rebozo with a quantity of currency in \$100 bills that did not come from his bank in a briefcase or any other container?

Mr. BROWN. No, sir; I have not.

Mr. ARMSTRONG. And to your knowledge, other than what Mr. Rebozo might keep in a safety deposit box or might have kept in safety deposit boxes at the Key Biscayne Bank & Trust Co., are you aware of any other location where Mr. Rebozo might have kept any quantity of currency in excess of \$10,000?

Mr. HALL. His money?

Mr. ARMSTRONG. Of Mr. Rebozo's or anybody else's money, but in currency form.

Mr. BROWN. Not to my knowledge.

Mr. SCHULTZ. Well, excuse me. I want to ask the other half of your question.

You said you did not see any briefcase in Mr. Rebozo's possession of the \$100 bills which did not come from his bank. Have you seen him with a briefcase with \$100 bills which did come from his bank?

Mr. BROWN. No, sir.

Mr. ARMSTRONG. Have you seen anyone else with a briefcase or any container with \$100 bills?

Mr. BROWN. No, sir, I haven't.

Mr. ARMSTRONG. Have you ever made any trips outside the continental United States on Mr. Rebozo's behalf?

Mr. BROWN. No, sir, I have not.

Mr. ARMSTRONG. Have you ever made any trips to Las Vegas, Nev., on Mr. Rebozo's behalf?

Mr. BROWN. No, sir.

Mr. ARMSTRONG. Have you ever made any trips to California on Mr. Rebozo's behalf?

Mr. BROWN. No, sir.

Mr. ARMSTRONG. Have you ever made any trips to Washington, D.C., on Mr. Rebozo's behalf?

Mr. HALL. Excluding the current trip?

Mr. ARMSTRONG. Excluding the current trip, although I'm not sure it's on Mr. Rebozo's behalf, but anyway, it is on our request.

Mr. BROWN. No, sir, I have not.

Mr. ARMSTRONG. Or any trips to New York on Mr. Rebozo's behalf?

Mr. BROWN. No, sir.

Mr. ARMSTRONG. And have you made any trips to Washington, D.C., New York, California, or Las Vegas, Nev., on behalf of the bank?

Mr. BROWN. No, sir, I have not.

Mr. ARMSTRONG. Or outside the continental United States on behalf of the bank?

Mr. BROWN. No, sir, I have not.

Mr. ARMSTRONG. Are you aware of any assets that Mr. Rebozo holds outside of the continental United States?

Mr. BROWN. No, sir, I am not.

Mr. ARMSTRONG. And are you aware of any proprietary interest in assets that Mr. Rebozo has in assets which are held outside the United States, the continental United States?

Mr. BROWN. No, sir.

Mr. SHEEHY. During that 2- or 3-week period that that pool was installed, were you aware of any other work that was done on either 500 Bay Lane or 516 Bay Lane, either at Mr. Rebozo's instructions or the instructions of—

Mr. HALL. Any other person, persons, partnerships, or corporation?

Mr. BROWN. In addition to the pool, you mean?

Mr. SHEEHY. Right.

Mr. BROWN. The patio was extended out to cover the back of the house.

Mr. SHEEHY. Did you have any direct responsibility for that; sign work orders for contractors?

Mr. BROWN. No, I talked to the contractor a couple of times about it, but I didn't sign anything.

Mr. SHEEHY. And who was that?

Mr. BROWN. J. H. Claggett, Inc.

Mr. SHEEHY. Of Miami, or Key Biscayne?

Mr. BROWN. Miami.

Mr. SHEEHY. It was done in that same period, November to December of 1972?

Mr. BROWN. It was all done at the same time.

Mr. SHEEHY. Were you aware of any work that was done inside the houses as opposed to the exterior of the houses during this period of time?

Mr. BROWN. Not that I know of. There may have been, but I don't know of any.

Mr. SHEEHY. Would Mr. Rebozo have asked anybody to handle those kinds of requests or orders other than yourself?

Mr. HALL. I object. It is quite speculative. Ask him if he knows.

Mr. SHEEHY. Do you have any knowledge of Mr. Rebozo asking somebody else to contact an agency or individual to do this kind of work?

Mr. BROWN. Not to my knowledge, no.

Mr. SHEEHY. Do you have any idea of the rough figures for the extension of the patio in dollars and cents?

Mr. BROWN. No, I don't. I never saw that invoice, so I don't.

Mr. SHEEHY. Did you get an estimate from the contractor?

Mr. BROWN. No, it was done—it was my understanding it was done on the time and materials type of basis.

Mr. ARMSTRONG. Anything else, Lee?

Mr. SHEEHY. No.

Mr. ARMSTRONG. Are you aware of who Mr. Rebozo's bookkeeper was prior to Mrs. Moncourt?

Mr. BROWN. When I first came in there, he didn't have one, and then Mrs. Moncourt came in April, and so prior to that I really don't know who it would have been.

Mr. ARMSTRONG. When you first came there—that was in February 1970?

Mr. BROWN. February 1970, and Mrs. Moncourt came in April. During that interim, he did not have a bookkeeper.

Mr. ARMSTRONG. Can I read you just a couple of names, to see if you might recognize the names of the prior bookkeeper from a list of employees?

Mr. HALL. Go ahead.

Mr. ARMSTRONG. Nanci Lee Forman, F-o-r-m-a-n?

Mr. BROWN. The name doesn't mean anything.

Mr. HALL. Why don't you read the whole list; if he recognizes any names, he will say, "I recognize it."

Mr. ARMSTRONG. Well, Charles G. Rebozo was not his own bookkeeper. Fred B. Brundrett, B-r-u-n-d-r-e-t-t?

Mr. BROWN. Well, I recognize the name, but you're speaking in reference or relationship to him being the bookkeeper?

Mr. ARMSTRONG. Right.

Mr. BROWN. No.

Mr. ARMSTRONG. Matthew Campbell?

Mr. BROWN. Yes, I recognize the name.

Mr. ARMSTRONG. But not a bookkeeper?

Mr. BROWN. Not a bookkeeper.

Mr. ARMSTRONG. Richard Stearns?

Mr. BROWN. Yes, I recognize the name, but not a bookkeeper.

Mr. ARMSTRONG. Vernon Tucker?

Mr. BROWN. The same.

Mr. ARMSTRONG. Nanci Lee Forman?

Mr. BROWN. That name doesn't mean anything to me.

Mr. ARMSTRONG. Susan Bagdonas. I believe it's now Susan Bagdonas Martin.

Mr. BROWN. That is correct. She was his secretary.

Mr. ARMSTRONG. But not a bookkeeper?

Mr. BROWN. Not to my knowledge.

Mr. ARMSTRONG. Jose Alonso?

Mr. BROWN. Yes, I recognize the name, but again, it is not a bookkeeper.

Mr. ARMSTRONG. Hilda Del Real? I don't know whether that is a two part surname or not. That's D-e-l R-e-a-l.

Mr. BROWN. Yes, she was a cleaning lady.

Mr. ARMSTRONG. Juan Del Real?

Mr. BROWN. That was her husband.

Mr. ARMSTRONG. Floy Santanello?

Mr. BROWN. Yes, she was a teller.

Mr. ARMSTRONG. Mita Sue Scott?

Mr. BROWN. Yes, she worked in bookkeeping.

Mr. ARMSTRONG. She was a bookkeeper?

Mr. BROWN. Yes, she worked in the bookkeeping department of the bank.

Mr. ARMSTRONG. Maria Rodrigues?

Mr. BROWN. No.

Mr. ARMSTRONG. You don't recognize that name?

Mr. BROWN. No, I don't.

Mr. ARMSTRONG. Delia Roche. R-o-c-h-e?

Mr. BROWN. Yes, she also worked in the bookkeeping department of the bank.

Mr. ARMSTRONG. Regina Moreira?

Mr. BROWN. Yes; she was a new accounts secretary.

Mr. ARMSTRONG. Enrique Rodrigues?

Mr. BROWN. He was assistant cashier.

Mr. ARMSTRONG. Lelia Williams?

Mr. BROWN. No.

Mr. ARMSTRONG. Or Lelia Williams, L-e-i-l-a?

Mr. BROWN. It doesn't mean anything to me.

Mr. ARMSTRONG. Caridad Z. Del Campo?

Mr. BROWN. She was a proof operator.

Mr. ARMSTRONG. Diana Migueles? M-i-g-u-e-l-e-s?

Mr. BROWN. [Nods in the negative.]

Mr. ARMSTRONG. You don't recognize that one?

Mr. BROWN. No, I don't recognize the name.

Mr. ARMSTRONG. Paulina Gaunt? Or Pauline Grunt?

Mr. BROWN. Yes. Paulina worked in the bookkeeping department.

Mr. ARMSTRONG. Patricia Ann Powers?

Mr. BROWN. No, it doesn't mean anything to me.

Mr. ARMSTRONG. Mary Jane Richards?

Mr. BROWN. Mary Jane? She was a teller or in the proof department, one or the other. None of those were bookkeepers, to my knowledge, anyway.

Mr. ARMSTRONG. One last question. Is Mr. Rebozo paying your legal fees?

Mr. HALL. I object to that. That is entirely improper. You subpoenaed him on behalf of the bank. I think that is improper.

Mr. ARMSTRONG. OK. Rather than bother Senator Talmadge, where we have an identical situation with Mrs. Moncourt, Senator Ervin ruled, and will you accept that ruling?

Mr. HALL. On the attorney-client privilege?

Mr. ARMSTRONG. An identical situation.

Mr. HALL. Well, let me see it. May I see your subpoena on the witness first, before looking for those?

Mr. ARMSTRONG. The subpoena on Mr. Brown?

Mr. HALL. Call your office and read how the witness was listed on the subpoena. Can you just give me that information?

Mr. SHEEHY. I know I have him listed as Mr. Jack Brown, period.

Mr. ARMSTRONG. As an individual—can he answer the question?

Mr. HALL. No.

Mr. ARMSTRONG. OK. You may read the foregoing. It's pretty clear from there.

Mr. SHEEHY. You should say for the record what he's reading.

Mr. HALL. It's relevant to the relationship of the witness to the party.

All right, let us take this position. We preserve our objection on the basis that that is privileged on the relationship that has been established between Mr. Brown and his counsel. That is the relationship established under the laws of the State of Florida.

Now, if you wish to invade that privilege over my objection, you may do so.

Mr. ARMSTRONG. We are only interested in the relationship between Brown and Mr. Rebozo.

Mr. HALL. And/or the bank, or just Mr. Rebozo?

Mr. ARMSTRONG. First, Mr. Rebozo.

Mr. HALL. So you are going forward over my objection, and invading the privilege as we have asserted?

Mr. ARMSTRONG. Well, I'm not sure I accept your characterization, but I'm asking the question.

Mr. HALL. As long as we're very clear about what you're doing.

Mr. ARMSTRONG. Well, there's been an opportunity for counsel to peruse pages—

Mr. HALL. No, there hasn't been an opportunity to peruse pages. You were just showing me a ruling as informative. If you want, let's go get Senator Talmadge.

Mr. ARMSTRONG. Well, I just want to put into the record what you read; you looked at pages 106 and 107 of Mrs. Moncourt's executive session of Monday, April 1.

Mr. HALL. Where Senator Ervin took the position that under the laws of the State of North Carolina, that information is not privileged and asked that the question be answered.

Now, we don't quarrel with the laws of the State of North Carolina, because nobody's involved with North Carolina.

Mr. ARMSTRONG. Well, I don't think that's what he said.

Mr. HALL. You ought to go back and check.

Mr. ARMSTRONG. I just checked. I think he said, "What we called the North Carolina"—I don't think he said, "That's what the law is in North Carolina." He later made specific reference that we're not in Florida, but we're in the District of Columbia.

Mr. HALL. I understand. But in Florida is where any relationship was created.

Mr. SCHULTZ. I suggest that you restate your question and let the attorney instruct his client, and if it's not resolved—

Mr. ARMSTRONG. Is Mr. Rebozo paying your legal fees, Mr. Brown?

Mr. HALL. That is privileged. It is attorney-client.

Mr. SCHULTZ. And you're instructing your client?

Mr. HALL. No, I reserve the right to move to strike the portion of this transcript, that information; I request that you treat it as sealed until we have a ruling on that, then go ahead.

Mr. ARMSTRONG. We will stipulate to that.

Mr. HALL. Thank you, and I would like to participate in the argument on that question. Go ahead.

Mr. BROWN. Not to my knowledge.

Mr. ARMSTRONG. Is the Key Biscayne Bank paying your legal fees?

Mr. BROWN. Yes, sir; they are.

Mr. HALL. The same stipulation goes to the second question, too.

Mr. ARMSTRONG. The same stipulation goes to the second question, too.

That's all the questions I have.

[Whereupon, at 12:50 p.m., the hearing in the above-entitled matter was adjourned.]


LESSEE

BROWN EXHIBIT No. 2

QUESTIONNAIRESAFE DEPOSIT BOXES


	YES	NO
Are records of each visit kept?	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Is custodian present at locking and unlocking?	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Are rental records reconciled to <u>contracts and income accounts?</u>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Are locks changed when boxes are changed?	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Are contracts kept on file for boxes?	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Are fee boxes approved properly? <u>N/A</u>	<input type="checkbox"/>	<input type="checkbox"/>
How? _____		
Are proper visitation records maintained?	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Is a signed contract on file for each safe deposit box?	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Are all collections of rental income recorded when received?	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Is there a firm policy of changing all locks on surrendered boxes?	<input checked="" type="checkbox"/>	<input type="checkbox"/>
On notice of lost keys?	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Are drilled boxes witnessed by two individuals?	<input checked="" type="checkbox"/>	<input type="checkbox"/>

BROWN EXHIBIT NO. 3-A

DIEBOLD SERVICE DIVISION INCORPORATED CANTON, OHIO 44705 <i>Over 100 Years of Leadership</i>				PERMIT TO: CAN (OHIO 44711		FILE COPY PLEASE REFERENCE THIS INVOICE NUMBER WHEN CORRESPONDING OR REMITTING	
REPAIR SERVICE ORDER NO.	DATE ENTERED	CUSTOMER P.O. NO.		INVOICE DATE	INVOICE NO.		
730960	3-15-73			3-21-73	945 - 85763		
LOCATION SERVICED (IF DIFFERENT THAN SOLD TO)				INDIVIDUAL REQUESTING SERVICE			
SOLD TO KEY BISCAYNE BANK 95 W. McIntyre St Key Biscayne, FL 33149				Sharon Leber			
				DIEBOLD SERVICE REPRESENTATIVE			
				J. Manning			
				DATE WORK COMPLETED			
				3-15-73			
				PER DIEBOLD QUOTE DATED			
				ACCEPTED BY			
DESCRIPTION							AMOUNT
Drilled open safe deposit box #412.							
ACCOUNTING USE ONLY	TOTAL SALES	TAX CODE	MAT'L				TOTAL MATERIAL
			LABOR				TOTAL LABOR
							19 23
Goods delivered to the carrier in good order, and his receipt for them constitutes delivery of merchandise covered by this invoice. All claims must be made within ten days after receipt of goods. Do not receipt to the carrier for shipment in good order unless merchandise is so delivered to you. Make careful check of shipment with quantities shown on this invoice and notify us immediately if there is any discrepancy.							
We hereby certify that these goods were produced in compliance with all applicable requirements of Section 6, 7 and 12 of the Fair Labor Standards Act, as amended, and of regulations and orders of the United States Department of Labor issued under Section 14 thereof.							
Expenses							6 10
TAX (4 %)							77
TOTAL INVOICE							26 10


DIEBOLD FORM 2354

BROWN EXHIBIT NO. 3-B

DIEBOLD SERVICE DIVISION <small>INCORPORATED CANTON, OHIO 44711</small>				REMIT TO: CANTON, OHIO 44711		FILE COPY <small>PLEASE REFERENCE THIS SLIP NUMBER WHEN CORRESPONDING OR REMITTING</small>	
REPAIR SERVICE ORDER NO. 731037 & 731044		DATE ENTERED 3-23-73 & 3-22-73		CUSTOMER P.O. NO.		INVOICE DATE 3-28-73	
LOCATION SERVICED (IF DIFFERENT THAN SOLD TO)		SOLD TO KEY BISCAYNE BANK 95 West McIntyre Street Key Biscayne, FL 33149		INDIVIDUAL REQUESTING SERVICE C. O'Sullivan DIEBOLD SERVICE REPRESENTATIVE L. Evers DATE WORK COMPLETED 3-23-73 PER DIEBOLD QUOTE DATED		INVOICE NO. 945 - 85827	
ACCEPTED BY							
DESCRIPTION							AMOUNT
731037: Replaced plexiglass and flange on drive-in window. 731044: Cut and furnished three Safe Deposit keys. Shop: Cut and furnished one Safe Deposit keys per bank's request through mail.							
ACCOUNTING USE ONLY	TOTAL SALES	TAX CODE	MAT'L. LABOR				TOTAL MATERIAL 29.06
							TOTAL LABOR
<small>Goods delivered to the carrier in good order, and his receipt for them constitutes delivery of merchandise covered by this invoice. All claims must be made within ten days after receipt of goods. Do not receipt to the carrier for shipment in good order unless merchandise is as delivered to you. Make careful check of shipment with quantities shown on this invoice and notify us immediately if there is any discrepancy.</small>							
<small>We hereby certify that these goods were produced in compliance with all applicable requirements of Section 6, 7 and 12 of the Fair Labor Standards Act, as amended, and of regulations and orders of the United States Department of Labor issued under Section 14 thereof.</small>							
Postage TAX (4 %)							1.18
TOTAL INVOICE							31.40

DIEBOLD FORM 2354

BROWN EXHIBIT No. 3-C

DIEBOLD SERVICE DIVISION INCORPORATED CANTON, OHIO 44705		<i>Over 100 Years of Leadership</i>				RECEIVED: CANTON, OHIO 44711		FILE COPY PLEASE REFERENCE THIS INVOICE NUMBER WHEN CORRESPONDING OR REMITTING		
REPAIR SERVICE ORDER NO. 73146		DATE ENTERED 4-20-73		CUSTOMER P.C. NO.		INVOICE DATE 4-26-73		INVOICE NO. 245 - 84743		
LOCATION SERVED (IF DIFFERENT THAN SOLD TO)						INDIVIDUAL REQUESTING SERVICE				
SOLD TO KEY BISCAYNE BANK 95 West McIntyre Street Key Biscayne, FL 33149						DIEBOLD SERVICE REPRESENTATIVE				
						J. Manning				
						DATE WORK COMPLETED				
						4-20-73				
						PER DIEBOLD QUOTE DATED				
						ACCEPTED BY				
DESCRIPTION										AMOUNT
Made three pairs of keys to samples (6)...										
ACCOUNTING		TOTAL SALES		TAX	MAT'L.				TOTAL MATERIAL	6.00
USE ONLY				CODE	LABOR				TOTAL LABOR	12.82
<small>Goods delivered to the carrier in good order, and his receipt for them constitutes delivery of merchandise covered by this invoice. All claims must be made within ten days after receipt of goods. Do not receipt to the carrier for shipment in good order unless merchandise is so delivered to you. Make careful check of shipment with quantities shown on this invoice and notify us immediately if there is any discrepancy.</small>				<small>We hereby certify that these goods were produced in compliance with all applicable requirements of Section 8, 7 and 12 of the Fair Labor Standards Act, as amended, and of regulations and orders of the United States Department of Labor issued under Section 14 thereof.</small>				TAX (4 %)		75
								TOTAL INVOICE		19.57

DIEBOLD FORM 2384

WEDNESDAY, MAY 15, 1974

U.S. SENATE,
SELECT COMMITTEE ON
PRESIDENTIAL CAMPAIGN ACTIVITIES,
Washington, D.C.

The Select Committee met, pursuant to notice, at 12:40 p.m. in room G-334, Dirksen Senate Office Building.

Present: Samuel Dash, chief counsel and staff director; Robert Muse, assistant majority counsel; Scott Armstrong, investigator; and Richard Schultz, assistant minority counsel.

Mr. ARMSTRONG. Regarding Mr. McKiernan's letter of May 9, 1974, to Chairman Ervin and Senator Baker as vice chairman, in which he makes several statements regarding the conduct of Terry Lenzner, assistant chief counsel, and myself, in paragraph 3, Mr. McKiernan says:

When I was in New York at the Mitchell-Stans trial in the week of April 1 through April 5 for my clients, who were giving testimony there, I was informed by Mr. Lenzner, through Mr. Armstrong, that I must meet with them on Sunday, April 7, 1974, in Seattle with Edward C. Nixon and I must meet with them the next day, Monday, April 8, 1974, in Los Angeles with F. Donald Nixon.

For the record, I would just like to state that the discussion was about the attempt to determine the availability of Mr. Edward and Mr. Donald Nixon on those days and to encourage Mr. McKiernan that if they could be accommodated, they would be. I do not think it was ever stated they must be met with on that day.

Second, in regard to Mr. McKiernan's statement on page 2, regarding the availability of Messrs. Edward and Donald Nixon after they returned to California he states: "Nevertheless, Mr. Lenzner and Mr. Armstrong were intransigent in their refusal to make any arrangement other than the one they proposed." In fact, we did make arrangements to delay the meeting for an additional week, although we did it reluctantly because we wanted to meet with Mr. Edward and Mr. Donald Nixon as soon as possible. But we did in fact make an accommodation, and I don't think there was any attempt to harass the witnesses or Mr. McKiernan in our effort to secure an interview as soon as possible.

Also on page 2, regarding Mr. McKiernan's statement that:

We agreed that the Senator need not be present throughout the inquiry upon assurance by Mr. Lenzner that we would receive a copy of the transcript. At the termination of the inquiry, we reminded Mr. Lenzner of his assurance, but he denied ever making such a statement.

I believe that the matter of the transcript issued from a misunderstanding that, as we said in the beginning, we had to secure the committee's approval of the transcript. At the first date after our return to Washington that the committee met and had an opportunity to

consider such a matter, we put it on their agenda, that is, we did take that up, the transcript was approved and I believe we have it here ready for Mr. McKiernan for the next time we see him. The date of that executive session, when it was approved, was Thursday, May 9, 1974.

On page 3, Mr. McKiernan states that Mr. Lenzner—this is the question about the jurisdiction of the committee to again speak to F. Donald and Edward Nixon on the basis that Mr. Kalmbach had testified Mr. Rebozo told him that they received money as part of the Hughes contribution. Mr. McKiernan states:

Mr. Lenzner, however, took this opportunity to inquire into matters having no bearing whatsoever on the substance of Mr. Kalmbach's statement. With all due respect to the latitude to be allowed Mr. Lenzner in the performance of his duties, we eventually felt obliged to object on the grounds that it was unfair and improper to represent the great urgency for investigation due to Mr. Kalmbach's statement and then embark upon an inquiry into matters the committee had long ago covered.

It was our position—it was then, and it has been all along—that Mr. Donald Nixon presented himself as a subject for inquiry and that, with the committee's work, because of the great concern associates of the President, the President, and members of the administration had about Mr. F. Donald Nixon's business and financial affairs and that during the course of the testimony we took in California of Mr. McKiernan and Mr. Nixon, we attempted to again inquire into these matters on the basis that we now had additional assurance that Mr. Rebozo apparently had at least told one individual that his concern was at least to the extent that he had made some financial commitment and they transferred some money to Mr. Donald and Mr. Edward Nixon, and it was on that, and on that basis alone that we did pursue our inquiry.

The last item is the item Mr. McKiernan makes reference to in the last paragraph on page 3, which relates to—Mr. McKiernan makes reference in the last paragraph on page 3, to the fact that Mr. Lenzner had stipulated the committee would provide a list of the items specified and that this, in some way, had altered the subpoena. I just wanted to make clear—and I think we resolved it this morning—that the reference was to exhibits that we were using at the time and that we did not make any delineation or stipulations at that time regarding the subpoena itself and that is the purpose of today's session.

Now, in general, Mr. McKiernan seems to have characterized our behavior as harassment of the witnesses Mr. Edward and Mr. Donald Nixon. I would like to point out that, as the transcript of our session with them indicates, that on several occasions, with Mr. Donald Nixon for example, pages 4, 6, 70, and 237, Mr. Lenzner or myself expressed concern about Mr. Donald Nixon's health and we were willing to break that session, and that has been our position all along that we were not in any way trying to inconvenience or harass or in any way—in any other way—cause any problems for Mr. Donald Nixon, but we were trying to pursue substantively what we felt was an important aspect of the investigation and what apparently members of the administration, associates of the President, or the President himself felt were problems that gradually took a great deal of time by the individuals paid for with campaign funds or individuals on the public

payroll and which it has been declared an appropriate part by the committee of this committee's inquiry.

If there has been any appearance of any attempt to harass or otherwise inconvenience either Mr. Nixon or Mr. McKiernan, we apologize for it. It was certainly not intended. If there are any other details, we would like to have them now rather than at some later point. Are there?

**TESTIMONY OF STANLEY W. McKIERNAN, ATTORNEY FOR
F. DONALD NIXON AND EDWARD C. NIXON**

Mr. McKIERNAN. For the record, I would like to read the letter of May 9, 1974 into the record. My response to Mr. Scott Armstrong's comment is to request that our letter, dated May 9, 1974, to Senator Ervin and to Senator Baker be admitted into the record.

Mr. MUSE. We will have that marked appropriately.

[Whereupon, the documents referred to were marked McKiernan exhibit No. 1 for identification.*]

Mr. MUSE. Finally, I would like to turn over to you the transcript of the executive session of Stanley W. McKiernan, of Edward C. Nixon and of F. Donald Nixon, and again note for the record, as did Mr. Armstrong, that consideration of your request for the transcript was made at the first executive session held after Mr. Lenzner's return from Los Angeles.

Mr. McKIERNAN. We would like to express our appreciation on behalf of our firm and our clients for these copies that were given to us.

[Whereupon at 1:10 p.m. the meeting was recessed to reconvene the same day.]

AFTERNOON SESSION

Mr. MUSE. Since 11 a.m. today Mr. McKiernan has met with counsel for the committee. Present at times were Samuel Dash, Robert Muse, Scott Armstrong, and Richard Schultz. The purpose of the meeting was to informally discuss the subpoenas which were served upon Edward C. Nixon and F. Donald Nixon by Terry Lenzner on April 15, 1974, in Los Angeles.

Those subpoenas, which called for the production of documents by April 18, have been continued until the present by agreement of counsel. Since that meeting in Los Angeles, there has been a series of phone calls between Mr. McKiernan or Mr. McKiernan's associate, Dr. Blatt, and various members of the committee staff, including myself, Mr. Armstrong, Mr. Lenzner, Mr. Dash, and Mr. Thompson.

Mr. McKIERNAN. Also Senator Baker.

Mr. MUSE. During those conversations there was some discussion as to the materials that were called for pursuant to the subpoena. It has been the position of the staff that there was no oral modification of the subpoena by Mr. Armstrong or Mr. Lenzner in Los Angeles and an examination of the record at page 157 of Mr. Nixon's—correct that, page 158—of Mr. Nixon's transcript which shows that a series of questions about certain of Mr. Nixon's financial records, resulted in agreement between Mr. Lenzner and Mr. McKiernan to provide other

*See p. 10984.

records. This was not in lieu of the subpoena. We have today examined both subpoenas in detail and have reached certain agreements which I will now state.

With regard to the subpoena issued to Mr. F. Donald Nixon, it is agreed that the time period for the subpoena will be limited to January 1, 1969, until June 28, 1973, the date of the return of the money by Mr. Rebozo. It is also agreed that Mr. McKiernan will provide bank statements of all of Mr. F. Donald Nixon's financial accounts other than those already received from the United California Bank.

With regard to the canceled checks of Mr. F. Donald Nixon, it is Mr. McKiernan's position that checks will be provided for all payments of over \$5,000—\$5,000 or over. Mr. McKiernan also agrees to provide all checks of all payments of all loans as well as all checks of all payments to any financial institutions.

With regard to Mr. McKiernan's offer, it is the position of the staff, after consultation with Chief Counsel Dash, that the investigation would be insufficient unless all of those checks not less than \$100 were provided, and, in cases of those checks less than \$100, the matter for which the check was paid was generically identified. For example, if it were for a grocery bill, the notation would be that it was for that item. Accordingly, we have a complete disagreement on the checks which are to be provided pursuant to the subpoena.

Mr. McKiernan also agreed to provide payments of all bills in excess of \$1,000 and charge card items of over \$1,000. Again, it is the position of the staff that these items, that the limits put on these items by Mr. McKiernan would result in an insufficient investigation and accordingly there is no agreement on these items.

Mr. McKiernan also agreed to provide all of the documentation relative to the sale of Mr. F. Donald Nixon's home as well as the purchase of his new home. Mr. McKiernan also agreed to provide all relevant documentation with regard to any transactions or business deals Mr. Nixon had with Mr. and Mrs. Lansdale, including information about a finder's fee and loan arranged between these parties.

It was also agreed by Mr. McKiernan to provide all relevant financial data on all tax shelter real estate transactions Mr. Nixon has been involved in, including those designated as "NKM", Ranchos Los Alamos and Alamos Valley Investment Co.

Mr. McKiernan also agreed to provide all relevant data on a transaction between F. Donald Nixon and John Pirazzo in the amount of \$5,000.

Mr. McKiernan agreed to provide all relevant information concerning any income that may have been generated by the association of Mr. Donald Nixon and Carl Lans. This would also include any relevant information concerning any loans or any other financial transactions between Mr. Nixon and Mr. Lans.

Mr. McKiernan also agreed to provide all relevant financial data concerning Mr. F. Donald Nixon's involvement in a Scottsdale, Ariz., condominium, including a loan negotiated with the Marriott Corp.

Mr. McKiernan also agreed to provide a schedule of stocks that Mr. Nixon has acquired in any transaction over \$5,000. With regard to this item, it is the position of the committee that the stipulation put on the item by Mr. McKiernan would not be agreeable for purposes

of our investigation. Mr. McKiernan agreed, however, to provide a schedule of all stockbrokers with whom Mr. Nixon has had transactions.

With regard to the second portion of Mr. Nixon's subpoena, a copy of which will be submitted for the record and marked as an exhibit, extensive time was spent examining the different names noted thereon and after this period of time, Mr. McKiernan noted those individuals who Mr. Nixon was likely to have had some correspondence with, and accordingly will provide any original records, documents, memorandums, reports, and correspondence to or from any of these following individuals.

[Whereupon, the documents referred to were marked McKiernan exhibit No. 2.*]

Mr. McKIERNAN. Would you read that back?

The REPORTER [reading]:

With regard to the second portion of Mr. Nixon's subpoena, a copy of which will be submitted for the record and marked as an exhibit, extensive time was spent examining the different names noted thereon and after this period of time, Mr. McKiernan noted those individuals who Mr. Nixon was likely to have had some correspondence with, and accordingly will provide any original records, documents, memorandums, reports, and correspondence to or from any of these following individuals.

Mr. McKIERNAN. It is my position that I have suggested to Mr. Muse that there are certain people which Donald Nixon may have received correspondence from, not necessarily that it is likely that he has received correspondence, and possible correspondence from these people shall be searched for.

Mr. MUSE. Because there is some confusion with this particular aspect of the subpoena, I would note that our purpose for going through it all was to examine more closely those names and try to give some indication to Mr. McKiernan who these individuals are, so that he would be more easily able to locate these items. But not mentioning the following names does not mean that we are excluding the correspondence called for. Of course, the subpoena continues in full force and effect with regard to all individuals mentioned on subpoena.

However, after this lengthy examination the following individuals have been noted as those who may possibly have had some exchange of documentation, records, memorandums, reports or other correspondence with F. Donald Nixon.

Mr. McKIERNAN. One or two of the names have been listed, not because there is any likelihood or even a slim possibility—but my client recognizes the importance of these people in this investigation, and for that reason is going to make an extremely diligent effort to find any correspondence or to describe orally any correspondence he may have received and no longer has in his custody.

Mr. MUSE. Again, the individuals noted by Mr. McKiernan as people who may have had correspondence with Mr. F. Donald Nixon are: Arthur Blech, Howard Cerny, Leonard Firestone, Luis and Rolando Gonzales, Herbert Kalmbach, William Marriott, Jr., John Meier, Cliff Miller, John Mitchell, Ray Murphy, Donald A. Nixon, Richard M. Nixon, The Richard M. Nixon Foundation, The San Bar Corp., Claudia Val, Robert Vesco, Rose Mary Woods, and Charles G. Rebozo.

*See p. 10991.

It should be noted that all of the other names listed on the subpoena were examined and discussed by Mr. McKiernan and myself. By not noting the particular individuals, it is meant that in all likelihood these individuals did not have correspondence with Mr. F. Donald Nixon. Mr. McKiernan has indicated that he will make a search to locate any correspondence from these particular individuals, even though it is his belief that in all likelihood they did not have any correspondence with Donald Nixon.

Mr. McKIERNAN. We would like to state that the subpoena in question, first of all, was unreasonable on its face since, as stipulated by Mr. Muse, it was provided to us on the 16th of April and called for the production of records in Washington, D.C.—on the other side of the continent of the United States—of all original records, documents and memorandums, reports and correspondence, to or from any of the following 80 individuals or organizations.

This matter was brought to the attention of Mr. Lenzner at the time the subpoena was served. Mr. Lenzner agreed that, obviously, it would be impossible for us to comply with the subpoena, told us that we would have as much time as necessary. Further discussions were entered into concerning compliance with the subpoena and it was represented to me, in the presence of my law partner, Dr. Meyer Blatt, that a list would be provided to us which would define more clearly the exact information that was required and that it was recognized by Mr. Lenzner that the 80 individuals or organizations was a broader list than they actually expected us to comply with.

It should be noted at this time that the identical list was given to Mr. Edward Nixon, even though he lived in Seattle and did not know many of the people and organizations that were listed. It should further be pointed out that this subpoena was served upon Donald and Edward Nixon after an investigation that covered almost a year and involved several voluntary conferences with the Senate committee investigators and attorneys and add to that, by this time, April 16, the staff had a great deal of information and knew which of the 80 individuals or organizations applied to Donald and which applied to Edward and could, therefore, have been a great deal more specific.

Addressing ourselves to the matter of whether or not there was a list which we expected, we would like to point out that on page 161 of F. Donald Nixon's transcript, there is a clear reference made to the list. We would like to point out clearly that this list was never forwarded to the law firm of McKiernan, Blatt & May even though several requests were made for the lists.

We would like to establish our position clearly that this list was not in addition to, but was a substitute for, the subpoena which clearly could not have been complied with in the 2-day period.

The discussion of this date has been one wherein both the investigators and attorneys for the committee have been in accord with the law firm representing F. Donald Nixon with the exception of essentially two areas. One has to do with the matter of checks from the United California Bank.

At the time of this meeting today, it was the understanding of counsel for the Nixon brothers, Donald and Edward, that the committee in fact already had all of those checks. In fact, this firm has urged Mr. Fitcher, the attorney representing United California Bank, to make available to the committee every document at their disposal.

It was the understanding of the firm that all canceled checks were microfilmed and that these copies were forwarded to the committee. There was no argument on the part of counsel or Edward and Donald Nixon as to whether or not the information should be given to the committee. While it was largely irrelevant information, since it was easily available through a subpoena of the microfilm records, and since it has always been the position of both Edward and Donald Nixon that full cooperation should be given wherever possible, I was urged by Mr. Nixon to see to it that all of the microfilmed copies of the checks be forwarded to the committee.

I was advised only today by Mr. Muse that unfortunately the microfilmed copies were in many instances illegible, and that the microfilming did not begin in January 1969, but only in early 1972. I have no knowledge of this and we will assume that Mr. Muse is accurate in his statement.

The reason that Mr. Nixon desires to only submit checks over \$5,000 is not that he does not wish to disclose the nature of the checks, because at this point we had the impression that such checks had already been submitted through the microfilming process, but because of the burden of time and expense of preparing checks for 52 months.

Mr. Donald Nixon's account was fairly active and the burden of finding such checks and categorizing them as has been suggested by the assistant counsel is prohibitive.

Up to this point, no piece of information has ever been refused to committee counsel or investigators. In fact, information has been volunteered which was not called for by subpoena which is reflective of Mr. Nixon's desire to put the whole truth before the committee. More than that, Mr. Donald Nixon and Mr. Edward Nixon have been complimented by the committee staff on their attitude and their exemplary conduct in the field of cooperating with the committee.

Mr. Muse. Mr. McKiernan, I will not address myself to your remarks which I gather would be the basis for your objection should you so move to quash. However, I will point out a couple of facts.

One, with regard to the lists that you noted Mr. Lenzner said he would provide, at page 161 of the transcript of F. Donald Nixon's deposition, it should be noted that that list refers to statements found in various bank statements that have been brought to the committee's attention.

Second, I would note that this decision to provide the list was not done in lieu of the subpoena, and indeed, it should be noted for the record that the subpoena had not yet been delivered to F. Donald Nixon at the time the discussion noted on page 161 took place. Of reference to page 240 of the transcript which shows that the subpoena was given to F. Donald Nixon at the conclusion of his session.

Finally, I should note that by not responding to the argument, I do not mean by my silence that I agree with it.

Mr. McKIERNAN. In response to the comment concerning the delivery of the subpoena, I might point out that while it was not delivered, it was discussed prior to the termination of Mr. Nixon's testimony. It was discussed between Mr. Lenzner, myself, and Dr. Blatt.

Mr. MUSE. Now, turning to the subpoena of Edward C. Nixon, there has been similar discussion of the items listed on the attachment. A copy of the subpoena will also be submitted for the record and should be marked as an exhibit.

[Whereupon, the documents referred to were marked McKiernan exhibit No. 3.*]

Again, as with Mr. F. Donald Nixon's subpoena, there was basic disagreement as to the financial records to be provided.

I think it is a fair statement, Mr. McKiernan, would you not agree, that the same objections and the same disagreements arise with regards to Edward C. Nixon's subpoena as with F. Donald Nixon's subpoena, where specifically Mr. McKiernan finds that he will be able to provide the bank statements of those checks of over \$5,000. In addition, he will be able to provide checks of payments of all loans and checks of all payments to all financial institutions.

Mr. McKiernan objects to providing the committee with any other checks. Mr. McKiernan did agree to provide the bank statements to all banks that Edward C. Nixon has had accounts with during the times designated in the subpoena—which, incidentally, are by agreement, January 1, 1969 to June 28, 1973. He also agrees to provide all loan and mortgage records. He will also provide a schedule of stock brokers and a schedule of any stock purchase over \$5,000, as well as any documentation relative to any stock purchase of over \$5,000.

With regard to paid bills, Mr. McKiernan agrees to provide records of those bills in excess of \$1,000. As with Mr. F. Donald Nixon's subpoena, the committee staff's position is that this is unacceptable. With regard to credit cards, Mr. McKiernan says that he will provide records of those charge items of over \$1,000. Again, this position of Mr. McKiernan's is unacceptable.

Mr. McKiernan has agreed to provide all records of the Richard M. Nixon Foundation, insofar as Edward C. Nixon had an association with the foundation. Mr. McKiernan also agreed to make particular efforts to locate any documentation relative to involvement that Edward C. Nixon has had with the following entities: The Oceanographic Fund, Jaytech Inc., Health Industries Inc., Rocket Research Inc., The Seattle Kings Football Club, Separation/Recovery Systems Inc., and Salidan Inc.

With regard to the second part of the subpoena, calling for the production of any and all original records, documents and memorandums, reports, and correspondence, Mr. Edward C. Nixon has had with certain individuals, it should be noted that as in the situation with regard to F. Donald Nixon's subpoena, a good deal of time was spent examining these names and it was concluded that the fol-

*See p. 10993.

lowing individuals may have had some correspondence with Edward C. Nixon—by excluding the other names, it is not meant that Mr. McKiernan will not make an effort to locate any documents that may exist. The individuals noted as those who may have had some correspondence with Edward C. Nixon are: Howard Cerny, John Dean, Frank DeMarco, Thomas Evans, John Ehrlichman, Robert Finch, Leonard Firestone, James Golden, Patrick Hillings, Herbert Kalmbach, Herb Klein, Normal Locitis, John Meier, Cliff Miller, John Mitchell, Edward L. Morgan, Ray Murphy, and Donald A. Nixon, the Richard M. Nixon Foundation, Frances Raines, Separations and Recovery Systems, Inc., Robert Vesco, and Rose Mary Woods, and Charles G. Rebozo.

Mr. McKIERNAN. In reference to the comments concerning Edward C. Nixon just made by Mr. Muse, we would like—the counsel for Mr. Nixon would like to reiterate our position that was outlined concerning Mr. F. Donald Nixon by reference to that prior comment.

In further comment, concerning the oral modification of the subpoena, wherein it was recently stated on the record that there was no oral modification of the subpoena, I would like to point out that on the record itself it will show that the subpoena was modified orally to cover the time period from January 1, 1969 to June 28, 1973. This of course is contrary to the writing of the subpoena and is indicative of the fact that there was an oral modification. This modification orally has been stipulated on the record.

It is stipulated that it has been agreed by counsel for F. Donald Nixon and Edward C. Nixon that the subpoena of April 18, 1974, has been again orally modified to read that F. Donald Nixon and Edward C. Nixon are commanded to appear on May 22d at 4 o'clock before the Senate Select Committee on Presidential Campaign Activities of the Senate of the United States in their committee room, G-308, New Senate Office Building, Washington, D.C. and that on that day all of the items indicated on the second page of the subpoena shall be brought forth by F. Donald Nixon and Edward C. Nixon.

The purpose of the session today was to elicit from the attorneys and investigators representing the Senate committee a list of items which would satisfy both the counsel and investigators of the committee and the counsel of the witnesses F. Donald Nixon and Edward C. Nixon.

I think it should be pointed out that sincere effort was made by counsels and investigators, as was made by the counsel for the witnesses, and that actually the effort was bogged down by items which counsel for witnesses thought were already in the possession of the committee.

Mr. MUSE. Mr. McKiernan, I want to thank you for your cooperation today, and that will terminate the session.

Mr. McKIERNAN. Regarding this transcript, it was understood by counsel for the witnesses that a transcript shall be supplied to counsel for the witnesses, as were the prior transcripts, at the first opportunity at the meeting of the committee members.

[Whereupon, at 6:30 p.m., the meeting was adjourned.]

McKIERNAN EXHIBIT No. 1

McKIERNAN, BLATT & MAY

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OF COUNSEL
FRANK H. SCOLINOS
CHARLES E. SHEARER, JR.

May 9, 1974

Sam J. Ervin, Jr., N.C., Chairman
Howard H. Baker, Jr., Tenn., Vice Chairman
Senate Select Committee on
Presidential Campaign Activities
Senate Office Bldg., Room 1418
Washington, D.C. 20510

Gentlemen:

It is with utmost reluctance that we feel compelled to bring to your attention, conduct of which you may be unaware, in a recent series of events involving members of your staff, to wit: Terry F. Lenzner, your Assistant Chief Counsel, and Scott Armstrong, Staff Investigator.

The entire series of events have their roots in the statement made by Mr. Herbert Kalmbach to the effect that portions of the \$100,000 Hughes contribution for the Republican Presidential Campaign which was allegedly received by Mr. Charles Rebozo was given to - among others, one or both of my clients, Edward C. Nixon and F. Donald Nixon.

While I was in New York at the recent Mitchell-Stans trial during the week of April 1-5 with my clients who were giving testimony there, I was informed by Mr. Lenzner through Mr. Armstrong that I must meet with them on Sunday, April 7, 1974 in Seattle with Edward C. Nixon, and that I must meet with them the next day, Monday, April 8, 1974 in Los Angeles with F. Donald Nixon. The purpose was to permit them to inquire into the substance of Mr. Kalmbach's statement.

I advised them that my clients required an opportunity to rest from their travels to New York prior to conferring with me and reviewing the subject matter of the proposed inquiry. This was particularly so since F. Donald Nixon is in poor health. I further advised them that I had been travelling almost continuously for the previous two weeks through such widely separated time zones as Honolulu, Tokyo and New York, and that it was imperative that I return to Honolulu to conclude the urgent business which I had cut short to appear with F. Donald Nixon and

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Sam J. Ervin, Jr., N.C., Chairman
 Howard H. Baker, Jr., Tenn., Vice Chairman
 Senate Select Committee on

Presidential Campaign Activities

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Edward C. Nixon at the Mitchell-Stans trial. I also pointed out that thereafter I also would require a short period of rest prior to conferring with Edward C. Nixon and F. Donald Nixon in order for me to act as competent counsel.

I indicated to them our great desire to cooperate. I also pointed out that we have consistently cooperated to the fullest and offered to make their inquiry more convenient by having both Edward C. Nixon and F. Donald Nixon in my Office on Monday, April 15, 1974. Nevertheless, Mr. Lenzner and Mr. Armstrong were intransigent in their refusal to make any arrangements other than the one they proposed. They refused to recognize that older attorneys, and in the case of F. Donald Nixon, a man in his late fifties, do not have the strength or stamina such as themselves, individuals in their late twenties or early thirties. It became quite apparent that further discussion was futile and to preserve the record of our desire to fully cooperate, I repeated the substance of our conversation in a telegram to you with copies to Chief Counsel, Samuel Dash and Minority Counsel, Fred D. Thompson. A copy of that telegram is attached hereto.

The next event centered about the appearance by F. Donald Nixon and Edward C. Nixon in my Office in Los Angeles, where they and I were to testify after being sworn by Senator Inouye. We agreed that the Senator need not be present throughout the inquiry upon the assurance by Mr. Lenzner that we would receive a copy of the transcript. At the termination of the inquiry, we reminded Mr. Lenzner of his assurance but he denied ever making such a statement. Candor requires that we advise you that at the time he denied giving the earlier assurance, we did say that although a witness was not entitled to a transcript of his testimony as a matter of right, the Committee's policy has been to order a transcript be furnished to a witness where such witness has made a request. Our request was then repeated. To date, however, we have not received a transcript, notwithstanding that your staff has had a copy for several weeks.

/Continued ..

Sam J. Ervin, Jr., N.C., Chairman
 Howard H. Baker, Jr., Tenn., Vice Chairman
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Another event which occurred about the same time dealt with the scope of inquiry. This subject came up because of our belief and understanding that the Committee had completed its inquiry of F. Donald Nixon and Edward C. Nixon months ago. Mr. Lenzner advised us that the substance of Mr. Kalmbach's statement required considerable investigation by the Committee. Our position at that time and now, was that the charge was utterly unsupported by any fact. We recognized, however, that, unfounded as the charge may be, counsel for the Committee was not only entitled, but was indeed obliged to make a full investigation. Mr. Lenzner, however, took this opportunity to inquire into matters having no bearing whatsoever on the substance of Mr. Kalmbach's statement. With all due respect to the latitude to be allowed Mr. Lenzner in the performance of his duties, we eventually felt obliged to object on the grounds that it was unfair and improper to represent the great urgency for investigation due to Mr. Kalmbach's statement and then embark upon an inquiry into matters the Committee had long ago covered. There was a heated discussion on the subject after which Mr. Lenzner and Mr. Armstrong conferred in private. Upon return from their private conference, the objectionable line of inquiry was abandoned by Mr. Lenzner and further inquiries did relate to matters relevant to Mr. Kalmbach's statement. (We cannot cite the Committee to the portion of the transcript containing this discussion since we do not have the transcript. Indeed, we cannot even say with certainty whether the discussion was on the record or off the record.)

The next event which arose during the inquiry had to deal with bank statements and requests for the sources of deposits and destination of checks indicated on the bank's statements. Mr. F. Donald Nixon had no recollection of said items but we offered to make an investigation into any items which Mr. Lenzner specified. It was agreed that he would furnish us with a list of those specified items. To date no such list has been received. Instead, and now we come to the final event, we were notified by Mr. Muse of your staff that Mr. Lenzner had denied ever making such a statement. After this discussion he sent a telegram to us indicating his position insofar as compliance with the subpoena is concerned. A copy of said telegram and of our reply telegram is attached hereto.

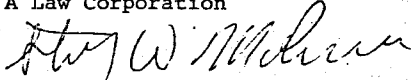
Sam J. Ervin, Jr., N.C., Chairman
 Howard H. Baker, Jr., Tenn., Vice Chairman
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In my judgement, the expanded inquiry of Mr. Lenzner and Mr. Armstrong into an area where the Committee has indicated its satisfaction constitutes nothing more or less than harrassment and is to be condemned; especially so since Chairman Ervin had stated that the investigation should not be permitted to become an harrassment of the President's family.

This harrassment, plus the less than forthright expressions and representations and the less than courteous consideration for fellow counsel and witnesses, may not be illegal but it is hardly becoming, in an investigation which is directed toward uncovering not only illegal conduct but unethical actions as well. Such conduct by the investigating staff, whether by counsel or investigator, should not be tolerated.

Very truly yours,

MCKIERNAN, BLATT & MAY
 A Law Corporation


 Stanley W. McKiernan

SWM:bmd

Encs.

P.S. The grievances expressed have not diminished our desire to assist the Committee in its functions. Indeed, our history has been one of complete cooperation to the extent that we have even received compliments relating thereto from members of your staff. If the Committee has any requests please do not hesitate to advise.

c.c. Samuel Dash, Esq., Chief Counsel and Staff Director

Fred D. Thompson, Esq.
 Minority Counsel

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ZIP 90015



Mailgram



MCKIERNAN BLATT AND MAY
1150 SOUTH OLIVE ST SUITE 1420
LOS ANGELES CA 90015



7149348038 NL TDRN MAMMOTH LAKES CA 400 04-06 0946P EDT

PMS SENATOR SAM ERWIN CHAIRMAN

SENATE SELECT COMMITTEE ON PRESIDENTIAL CAMPAIGN ACTIVITIES DIRKSEN
SENATE OFFICE BLDG RM 1418
WASHINGTON DC 20510

WASHINGTON 44-38861
WITH REGARD TO THE DEMAND OF YOUR ASSISTANT CHIEF COUNSEL TERRY
F LENZNER AND STAFF INVESTIGATOR SCOTT ARMSTRONG FOR A CONFERENCE
WITH EDWARD C NIXON IN SEATTLE ON SUNDAY APRIL 7 AND WITH F
DONALD NIXON IN LOS ANGELES ON MONDAY APRIL 8, PLEASE BE ADVISED
THAT BOTH OF THESE INDIVIDUALS HAVE ONLY JUST RETURNED TO THEIR
RESPECTIVE HOMES AFTER GIVING TESTIMONY IN THE MITCHELL-STANS
TRIAL IN NEW YORK AND WILL REQUIRE AN OPERTUNITY TO REST PRIOR
TO CONFERRING WITH ME, THEIR ATTORNEY, AND REVUEING THE SUBJECT
MAITER OF THE COMMITTEES PROPOSED INQUIRY.

PLEASE ALSO BE ADVISED THAT I HAVE RETURNED HOME LATE FRIDAY EVENING APRIL 5 AFTER TRAVELING ALMOST CONTINUALLY FOR THE PAST TWO WEEKS THROUGH SUCH WIDELY SEPARATED TIME ZONES AS HONOLULU AND TOKYO FOR CERTAIN CLIENTS, AND NEW YORK WITH EDWARD C NIXON AND F DONALD NIXON AT THE AFORE MENTIONED MITCHELL-STANS TRIAL. IT IS IMPERATIVE THAT I RETURN TO HONOLULU TO CONCLUDE THE URGENT BUSINESS WHICH I CUT SHORT IN ORDER TO APPEAR WITH MY CLIENTS IN NEW YORK. THIS WILL BE COMBINED WITH A BRIEF EASTER VACATION WITH MY FAMILY, WHICH WAS SCHEDULED AND FOR WHICH RESERVATIONS WERE MADE WELL BEFORE WE WERE EVER CONTACTED BY MR LENZNER AND MR ARMSTRONG. THIS SHORT VACATION WILL ALSO INABLE ME TO GET SOME MUCH NEEDED REST PRIOR TO CONFERRING WITH EDWARD C NIXON AND F DONALD NIXON SO THAT I WILL BE ABLE TO ACT AS A COMPETENT COUNCIL.

ALTHOUGH WE ARE SUPRISD BY THIS NEW INQUIRY SINCE WE HAD BEEN ADVISED EARLIER THAT THE COMMITTEE HAD COMPLETED ITS INQUIRY OF EDWARD C NIXON AND F DONALD NIXON, WE ARE MOST ANXIOUS TO COOPERATE AND FEEL THAT THIS OPERTUNITY FOR REST AND PRELIMINARY REVIEW WILL INABLE US TO MAKE OUR CONFERENCE WITH YOUR ASSISTANT CHIEF COUNCIL AND STAFF INVESTIGATOR OF MAXIMUM BENEFIT TO THE COMMITTEE, PERSUANT THERE TO AND IN ORDER TO MAKE THE CONFERENCE AS CONVIENT AND AS ECONOMICAL AS POSSIBLE WE WILL HAVE BOTH EDWARD C NIXON AND F DONALD NIXON IN OUR OFFICE IN LOS ANGELES ON MONDAY APRIL 15TH AND WILL BE PREPARED TO CARRY ON THE DISCUSSION AS LONG AS YOUR ASSISTANT CHIEF COUNCIL AND STAFF INVESTIGATOR FEEL IS NECESSARY.

I TRUST THIS ARRANGEMENT WILL BE TO YOUR SATISFACTION,
STANLEY W MCKIERNAN ESQ SUITE 1420 1150 SOUTH OLIVE ST LOS
ANGELES CA 90015

21146 EDT

MGMLSAT HSB



Telegram

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CLAS. INITIALS

PMS STANLEY W MCKIERNAN MCKIERNAN BLATT AND MAY
1150 SOUTH OLIVE LOS ANGELES CA

AS DISCUSSED IN OUR TELEPHONE CONVERSATION TODAY, THIS IS
TO ADVISE YOU THAT THE SUBPOENAS SERVED UPON F. DONALD NIXON
AND EDWARD C. NIXON BY MR. LENZNER ARE TO BE COMPLIED WITH BY
10 A. M. MONDAY, MAY 13, 1974.

THANK YOU FOR YOUR PROMPT ATTENTION TO THIS MATTER.

VERY TRULY YOURS,

ROBERT F. MUSE JR. ASSISTANT COUNCIL SENATE SELECT COMMITTEE
ON PRESIDENTIAL CAMPAIGN ACTIVITIES

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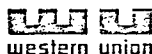
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ZIP 90015



western union

Mailgram



STANLEY W MCKIERNAN
1150 SOUTH OLIVE ST
LOS ANGELES CA 90015

THIS MAILGRAM IS A CONFIRMATION COPY OF THE FOLLOWING MESSAGE:

2137463550 MGM TDRN LOS ANGELES CA 158 05-08 0932P EDT
ZIP 20510

ROBERT F MUSE JUNIOR ESQ, ASSISTANT COUNSEL
SENATE SELECT COMMITTEE ON PRESIDENTIAL CAMPAIGN ACTIVITIES
DIRKSEN SENATE OFFICE BLDG ROOM 1418
WASHINGTON DC 20510

PURSUANT TO YOUR TELEGRAM PLEASE BE ADVISED THAT TO OUR KNOWLEDGE MR NIXON HAS NO FURTHER DOCUMENTS OR MATERIALS RELATING TO WATERGATE OR THE RECENT KALMBACH STATEMENT OTHER THAN THOSE ALREADY SUPPLIED TO YOU. IN ACCORDANCE, HOWEVER, WITH OUR CONVERSATION WITH MR LENZNER OF APRIL 15 AND 16 AND CONSISTENT WITH OUR PRIOR HISTORY OF FULL COOPERATION, WE WILL BE PLEASED TO FURNISH YOU WITH ANY OF THE SPECIFIC DOCUMENTS REQUESTED BY MR LENZNER AND MR ARMSTRONG AT THAT TIME. TO DATE WE HAVE STILL RECEIVED NO SUCH SPECIFIC REQUESTS.

WE ALSO HEREBY RENEW OUR REQUEST FOR THE TRANSCRIPTS PROMISED BY MR LENZNER.

STANLEY W MCKIERNAN ESQ<SUITE 1420 1150 SOUTH OLIVE ST LOS ANGELES CA 90015

21132 EDT

MGMLSAT HSB

McKIERNAN EXHIBIT No. 2

UNITED STATES OF AMERICA

Congress of the United States

To F. DONALD NIXON

_____, Greeting:

Pursuant to lawful authority, YOU ARE HEREBY COMMANDED to appear before the SENATE SELECT COMMITTEE ON PRESIDENTIAL CAMPAIGN ACTIVITIES of the Senate of the United States, on April 18, 1974, at 2:00 o'clock P. m., at their committee room G-308, New Senate Office Building, Washington, D.C. then and there to testify what you may know relative to the subject matters under consideration by said committee.

And bring with you any and all materials and documents listed on the attached sheet in your possession, custody or control.

Hereof fail not, as you will answer your default under the pains and penalties in such cases made and provided.

To Jerry Legner
to serve and return.

Given under my hand, by order of the committee, this

9th day of April, in the year of our

Lord one thousand nine hundred and seventy-four

San J. Ervin, Jr.

Chairman, Senate Select Committee on Presidential Campaign Activities.

And bring with you pursuant to S. Res. 60, 93rd Congress, 1st Session the following:

Any and all of your financial and business records for the period from January 1, 1969 to March 31, 1974 including, but not limited to, bank statements, canceled checks, deposit tickets, journals, ledgers, loan and mortgage records, stock records, savings account records, safe deposit box records, financial statements, paid bills, diaries, correspondence files and all related documents, including, but not limited to all records relating to The Richard Nixon Foundation.

Any and all original records, documents, memoranda, reports, and correspondence, to or from any of the following individuals or organizations:

Robert Abplanalp, Charles Adams, Air West Airlines, Vincent Andrews, Basic Industries, Inc., Arthur Blech, Gene Bowen, John Caulfield, Howard Cerny, E.L. "Jack" Cleveland, James Cravatta, James Crosby, Richard Danner, Chester Davis, I. G. "Jack" Davis, John Dean, Frank DeMarco, Thomas Evans, John Ehrlichman, Robert Finch, Leonard Firestone, Fishers Island Corporation, William Gay, Kenneth Gemmill, Georgetown Resources, Virgil Gladieux, James Golden, Luis Gonzales, Rolando Gonzales, William Haddad, Barry Hallomare, Hallomare Homes, Lloyd Hallomare, Anthony Hatsis, Nadine Henley, Patrick Hillings, Howard Hughes, Hughes Air Corps, Hughes Tool Company, Inreigo License, N.V., Robert Kahan, Herbert Kalmbach, Key Biscayne Bank and Trust Company, Herbert Klein, Dr. Isaac Kraushaar, Frederick LaRue, Norman M. Locitis, Maatschappij Intermovie, N.V., Robert A. Maheu, Robert A. Maheu Associates, Marriot Corporation, William Marriot, Jr., Stanley McKiernan (excluding any attorney-client communications), John Meier, Meier-Murray Productions, Cliff Miller, John Mitchell, Nicole Moncourt, Monroe Land and Title Company, Edward L. Morgan, Edward P. Morgan, Ray Murphy, Rita Murray, Thomas Murray, Donald A. Nixon, Edward C. Nixon, Richard M. Nixon, The Richard Nixon Foundation, Ogden Foods, Frances Raines, Charles G. Rebozo, Resorts International, Chapman Rose, San Bar Corporation, Separations and Recovery Systems, Inc., John Suckling, Summa Corporation, Toledo Mining Company, Utah State Automobile Association, Claudia Val, Robert Vesco, Thomas Wakefield, Rose Mary Woods.

McKIERNAN EXHIBIT No. 3

UNITED STATES OF AMERICA
Congress of the United States

To EDWARD C. NIXON

_____, Greeting:

Pursuant to lawful authority, YOU ARE HEREBY COMMANDED to appear before the SENATE SELECT COMMITTEE ON PRESIDENTIAL CAMPAIGN ACTIVITIES of the Senate of the United States, on April 18, 1974, at 10:00 o'clock a. m., at their committee room G-308, New Senate Office Building, Washington, D. C. then and there to testify what you may know relative to the subject matters under consideration by said committee.

And bring with you any and all materials and documents listed on the attached sheet in your possession, custody or control.

Hereof fail not, as you will answer your default under the pains and penalties in such cases made and provided.

To _____
to serve and return.

Given under my hand, by order of the committee, this
9th day of April, in the year of our
Lord one thousand nine hundred and seventy-four

Sam J. Erwin Jr.
Chairman, Senate Select Committee on Presidential
Campaign Activities.

And bring with you pursuant to S. Res. 60, 93rd Congress, 1st Session the following:

Any and all of your financial and business records for the period from January 1, 1969 to March 31, 1974 including, but not limited to, bank statements, canceled checks, deposit tickets, journals, ledgers, loan and mortgage records, stock records, savings account records, safe deposit box records, financial statements, paid bills, diaries, correspondence files and all related documents, including, but not limited to all records relating to Donald Nixon Associates, Alamos Valley Investments Company, Rancho California, and NKM Land.

Any and all original records, documents, memoranda, reports, and correspondence, to or from any of the following individuals or organizations:

Robert Abplanalp, Charles Adams, Air West Airlines, Vincent Andrews, Basic Industries, Inc., Arthur Blech, Gene Bowen, John Caulfield, Howard Cerny, E.L. "Jack" Cleveland, James Cravatta, James Crosby, Richard Danner, Chester Davis, I. G. "Jack" Davis, John Dean, Frank DeMarco, Thomas Evans, John Ehrlichman, Robert Finch, Leonard Firestone, Fishers Island Corporation, William Gay, Kenneth Gemmill, Georgetown Resources, Virgil Gladieux, James Golden, Luis Gonzales, Rolando Gonzales, William Haddad, Barry Hallomare, Hallomare Homes, Lloyd Hallomare, Anthony Hatsis, Nadine Henley, Patrick Hillings, Howard Hughes, Hughes Air Corps, Hughes Tool Company, Inriego License, N.V., Robert Kahan, Herbert Kalmbach, Key Biscayne Bank and Trust Company, Herbert Klein, Dr. Isaac Kraushaar, Frederick LaRue, Norman M. Locitis, Maatschappij Intermovie, N.V., Robert A. Maheu, Robert A. Maheu Associates, Marriot Corporation, William Marriot, Jr., Stanley McKlerman (excluding any attorney-client communications), John Meier, Meier-Munay Productions, Cliff Miller, John Mitchell, Nicole Moncourt, Monroe Land and Title Company, Edward L. Morgan, Edward P. Morgan, Ray Murphy, Rita Murray, Thomas Murray, Donald A. Nixon, Edward C. Nixon, Richard M. Nixon, The Richard Nixon Foundation, Ogden Foods, Frances Raines, Charles G. Rebozo, Resorts International, Chapman Rose, San Bar Corporation, Separations and Recovery Systems, Inc., John Suckling, Summa Corporation, Toledo Mining Company, Utah State Automobile Association, Claudia Val, Robert Vesco, Thomas Wakefield, Rose Mary Woods.

WEDNESDAY, MAY 15, 1974

U.S. SENATE,
SELECT COMMITTEE ON
PRESIDENTIAL CAMPAIGN ACTIVITIES,
Washington, D.C.

The Select Committee met, pursuant to notice, at 2 p.m., in room S-143, the Capitol, Senator Sam J. Ervin, Jr., Chairman.

Present: Senators Ervin and Weicker.

Also present: Samuel Dash, chief counsel and staff director; Fred D. Thompson, minority counsel; Rufus L. Edmisten, deputy chief counsel; Terry F. Lenzner and James Hamilton, assistant chief counsels; James Moore, assistant majority counsel; Scott Armstrong and Mary DeOreo, investigators; Pauline O. Dement, research assistant; Robert Silverstein and Richard Schultz, assistant minority counsels; Emily Sheketoff, investigative assistant.

Mr. LENZNER. We have some administrative things we want to make part of the record, subpoenas and other materials I have furnished Mr. Buzhardt. While we are waiting for Senator Weicker we might as well go ahead and mark these exhibits.

Senator ERVIN. Give General Haig a copy of the resolution.

Mr. LENZNER. Yes; I think it should be in the package. First let me say for the record, General Haig was subpoenaed for an appearance on May 2, 1974, and he did appear in response to the subpoena but refused to answer any questions at the direction of President Nixon. Subsequent to that appearance the Senate Select Committee met in executive session and passed a resolution, which speaks for itself, and I would like to have a copy of that marked as exhibit 1 for identification and note for the record that we have furnished a copy of that to Mr. Buzhardt.

[The document referred to was marked Haig exhibit No. 1, for identification.*]

Senator ERVIN. I do not think the President's letter was clear as to why. The President's letter as properly construed only referred to information obtained by General Haig in his capacity as Chief of Staff and in his capacity as a member of the staff of the National Security Council.

Mr. St. Clair instructed him not to answer questions that had to do with matters that had no relationship to any information he obtained in those capacities, so it is broader than the President's letter.

Mr. LENZNER. That is an accurate statement, Senator. We have also previously furnished Mr. Buzhardt and Mr. St. Clair with a memorandum entitled "Authority to Investigate," which states the sections of S. Res. 60 upon which the questions were propounded to General

*See p. 11037.

Haig and will be propounded, plus the legislative purpose in support of the questions for General Haig. I would like to have that marked as exhibit 2 for identification.

[The document referred to was marked Haig exhibit No. 2, for identification.¹]

Senator ERVIN. Let the record show, since General Haig and the committee previously voted unanimously to reject his claim of executive privilege as to any questions that relate to political matters, political contributions, illegal matters, or unethical matters, that that was the reason for passage of the resolution.

I might state for clarification that I think it is the position of the committee, as I understand it, that the President is entitled to have kept secret, confidential communications had by him with aides, or even among his aides, if those confidential communications had merit for the purpose of enabling the President or the assistant to the President, in performing in a lawful manner his official duties, otherwise there is no basis for executive privilege. Executive privilege does not cover political activities or political contributions because they have no relation to official acts, illegal acts, or unethical acts. They have no relation to official duties of the President.

Mr. LENZNER. Senator Weicker, while we were waiting, I am just putting in the record certain documents relating to the prior subpoena and pertinency of questions to be propounded to General Haig.

I would like to have marked as exhibit 3 for identification, questions from the executive session of May 2 and a memorandum that lays out the pertinency of questions propounded to General Haig, which he has refused to answer, plus a copy of the original subpoena on General Haig.

[The documents referred to were marked Haig exhibit No. 3, for identification.²]

Mr. LENZNER. And exhibit 4 is the subpoena issued and received on General Haig for his appearance today. Then we can go forward with the questions.

[The document referred to was marked Haig exhibit No. 4, for identification.³]

Mr. LENZNER. Shall we commence?

Senator ERVIN. Yes.

Mr. BUZHARDT. Mr. Chairman, might I be heard, sir?

Senator ERVIN. Yes.

Mr. BUZHARDT. I am Fred Buzhardt, counsel to the President, accompanying General Haig at the President's instructions. I would like to make a brief preliminary statement.

In response to the remarks made earlier, General Haig was subpoenaed originally. He was given no specific area about which he was to be interrogated. The President did claim or assert executive privilege as to all matters within General Haig's official conduct. I believe General Haig was accompanied by Mr. St. Clair who instructed him not to answer the questions proposed.

¹ See p. 11037.

² See p. 11038.

³ See p. 11042.

Since that time, the committee has provided to Mr. St. Clair and he transmitted to me a statement of relevance as to the questions, the purpose of the investigation, and it appeared to us the committee's area of inquiry was into matters concerning the so-called Hughes-Rebozo contribution. As to that, we have consulted with the President and he said, as to that matter, anything within General Haig's knowledge, whether gained in his official scope of duty or without, including conversations with the President, he would waive executive privilege and permit General Haig to testify. He is prepared to respond to questions on that subject today.

I might say that I have examined the questions. Some of the questions, as a matter of fact, are so general and broad as to make it impossible to even know whether they fall within or without the scope of executive privilege. For instance, whether or not General Haig, as a part of his duties, had occasion to discuss what appeared to him to be criminal activities of other individuals. That is a very wide scope, for example. He might well have discussed remarks made about the so-called Patricia Hearst kidnaping. It might well be criminal activities of others.

So I would hope that the questions could be precise, somehow identified, so that will give General Haig some ability to decide whether it is within or without the scope of executive privilege so he can be responsive to the committee.

Senator WEICKER. Which questions are you referring to?

Mr. BUZHARDT. These are the questions asked on May 2.

Senator WEICKER. I would like to point out to counsel that as a result of an agreement with Mr. St. Clair, counsel for General Haig, the questions were specifically broad because neither General Haig nor Mr. St. Clair cared to sit and respond to about 200 specific questions during the course of the afternoon, and this was a matter of, as I say, agreement arrived at between counsel; several broad questions would be asked and they would get back to their duties. That was the generality of the questions.

Senator ERVIN. Maybe we can make them specific today and also, there may be some items in addition to the Rebozo-Hughes fund. We will pass on those when we get to them.

Mr. BUZHARDT. All right.

Mr. LENZNER. Perhaps we should clarify if, Mr. Buzhardt, you are representing the President and General Haig today?

Mr. BUZHARDT. Yes; General Haig is appearing in his official capacity and as counsel to the President.

Senator ERVIN. He is appearing here in the capacity of a human being. The committee believes he knows some matters that are relevant to what the committee wants.

Mr. BUZHARDT. I am not testing that, Mr. Chairman, but—

Senator ERVIN. He appears here as a witness, not necessarily one restricted to—he bears, therefore, all purposes of the witness.

Mr. BUZHARDT. Is there any objection to my appearance with him?

Senator ERVIN. No; I am always glad to have anybody represented by counsel.

Mr. DASH. Not only that, I think under the guidelines of our committee, wherever there is a question of executive privilege, it was the

position of our committee that the President also should be represented by counsel who could assert the privilege on behalf of the President. Therefore, I think Mr. Buzhardt's presence is quite appropriate.

Senator ERVIN. Gentlemen, as a lawyer I always like to see lawyers kept busy.

Mr. BUZHARDT. I felt completely lonesome when I appeared here by myself.

Mr. LENZNER. Could you describe your duties as Chief of Staff since May 1973?

STATEMENT OF GEN. ALEXANDER HAIG, STAFF COORDINATOR TO THE PRESIDENT; ACCOMPANIED BY FRED BUZHARDT, COUNSEL

General HAIG. Essentially, I serve as the coordinator for the President of the activities of the White House staff, to insure that the flow of information to and from the President is properly disseminated, properly coordinated, that his schedule of activities is integrated to insure that his best efforts are allocated to the subject matter most urgent and that his energies are allocated to the best interests of the functioning of the White House and the executive branch, and in that context I have dealings with the senior White House staff, with the Cabinet, agency chiefs of Government, and on a regular and daily basis with the President. I think in general that describes the duties.

Mr. LENZNER. I take it you have on occasion responsibility for dealing with specific policy issues?

General HAIG. Yes, sir; but I would not want to portray it as essentially a policy role for me, other than the context of being sure that the President has been provided with all the advice he can get from within and without Government on a particular policy issue prior to a decision, and on the occasions that he might ask me about my own view, of course, I would provide it, but essentially not as a functional responsibility.

Mr. LENZNER. Did you have any duties with regard to the subject matter of the \$100,000 transmittal to Mr. Charles G. Rebozo from the Hughes Tool Co. or representatives of the Hughes Tool Co.?

General HAIG. No duties as such. I think if the counsel would like, I could tell you when I first heard or became aware of this situation and precisely what I did about it, if that is the quickest way to get to it.

Mr. LENZNER. That would be a fine way to begin. Why don't you go ahead and do that?

Senator ERVIN. I think that is well modified by the General Counsel, pardon me, because I do not think this is part of the official duties of any aide to the President, to have anything to do with political matters. I don't think executive privilege ever covers political matters. So you go ahead.

General HAIG. All right. I came to the White House on the weekend of May 6, having been asked to come temporarily to fill the role of staff coordinator for the President. I, at that time, had been Vice Chief of Staff of the Army. I arrived at the White House at a time that Mr. Haldeman, Mr. Ehrlichman, Mr. Colson, and several other individuals had already left, and it was necessary for me to pick up the strings of an ongoing operation and to insure that the effectiveness of the White House continued.

Sometime in about mid-May, I received a call from the Secretary of the Treasury. I believe it was Mr. Shultz. It may have been Mr. Simon. I am not clear on it. It was probably Mr. Simon. Mr. Shultz was out of the country. He informed me at that time—my first discussion with the Secretary of Treasury or Treasury Department—that the Internal Revenue Service was going to conduct an audit of the President's income tax. I asked what the reasons for this were and they said that it was a result of a random selection, as occurs with many taxpayers. I then discussed this matter with counsel at that time, who was Mr. Leonard Garment. Mr. Fred Buzhardt had just come over to help with the problems we had in the White House at that time, and from the Department of Defense, where he was the General Counsel. We discussed this matter and I called Mr. Simon back and said, "That is fine," that they should go ahead and do that.

About a week later, I received a call from Mr. Simon and he said that he would bring to my attention a matter of potential embarrassment to the President which involved the alleged payment of \$100,000 from Hughes Tool Co. to Mr. Rebozo, a friend of the President's and that the IRS was going to investigate this matter both with respect to whether it had been reported and whether or not taxes should have been paid on it. I told Mr. Simon that I thought this was a matter he should discuss with our counsel. This is the first time I had heard anything about the subject at all.

I then was visited by Mr. Garment and Mr. Buzhardt. I think the initial meeting was with just the two. At that time I had been inundated with a number of various rumors, charges, allegations involving the President and the President's men, and this was just another one of those among many.

Because I did not know the circumstances of any of these charges, I was very careful to consult every step of the way with the President's counsel. I understood that they included—and I met, I think, also with Mr. Chappy Rose, Mr. Garment, and Mr. Buzhardt. I understand they discussed this matter with another assistant counsel as to what we should do with the information which had not only been given to me by Mr. Simon, but which consisted of my request to Mr. Simon which was also conveyed to Mr. Garment. We met in my office. I was cautioned by the counsel to be very careful about this subject because of its sensitivity and I was very aware of the sensitivity. The consensus of counsel was that I should inform the President of this information as an obligation of a matter which could be of embarrassment to him, potentially, and that I should not discuss it with Mr. Rebozo. At that time counsel also told me that from their perspective that it would appear Mr. Rebozo should have a qualified tax attorney and that they would be willing to recommend one if Mr. Rebozo should be inclined to be desirous of getting such a recommendation. I passed this information on to the President and there was no discussion between us about it.

Subsequently, the President mentioned to me that I should get the name of the attorney, whoever the counsel would recommend, and Mr. Garment made the specific recommendation to me. This was 3 or 4 days after the first mention of this issue. He gave me the name of a Mr. Ken Gemmill of Philadelphia, who is, according to the description at the time, a very well-known and competent tax attorney.

That is the first time I had heard Mr. Gemmill's name. As a matter of fact, Mr. Garment gave, or at least I got a card in my office with Mr. Gemmill's name on it.

I mentioned this to the President and he said fine, that we were going to Key Biscayne that weekend, and we did, and the President asked me to give the name while there, to Mr. Rebozo, which I did. At that time Mr. Rebozo took it and said he did not know what he would do with it, but he obviously was well aware at that time of the IRS interest in the Hughes \$100,000, there is no question about it. That was my initial exposure to the matter and that is the subtotal of the actions I took on the matter at that time.

If counsel would like, I could go on to give you the full exposition of the remainder of my contact and knowledge of this subject.

Senator WEICKER. Might I ask one question at this point? When you conferred with the various counsel, prior to seeing the President, did you merely mention to them the fact that you had been informed by Mr. Simon that there was an IRS investigation of Mr. Rebozo, or had you tried to ascertain from Mr. Simon any further details?

Did you just tell him, "I received a call from Assistant Secretary Simon, he informs me there is an IRS investigation of Mr. Rebozo," or had you tried to ascertain further facts from Mr. Simon, which facts were to be presented to this group of persons that you were consulting?

General HAIG. Senator, I am not sure my recollections are precise here as to where I got the facts that I initially held, whether it came from Mr. Garment, Mr. Buzhardt, or Mr. Simon, because it immediately triggered these discussions.

I do know this: I did ask Mr. Simon to discuss this matter with counsel, White House counsel, and conveyed to him, I know, because that was my frame of mind, the impression that I did not necessarily want these details, I thought it was a legal matter and should be handled by competent legal counsel.

Now, whether at the time of the initial discussion with Mr. Simon, he told me such details as there was \$100,000 in a safe-deposit box, which had not been reported, I do not know, or whether it was the subsequent and almost immediate visit I had from Buzhardt and Mr. Garment at which we discussed more of the details of the case. I cannot answer that with precision and I would be afraid to do so.

Senator WEICKER. So either it would be in the discussions you had with Mr. Simon or in the meeting which was called to determine what to do?

General HAIG. That is right.

Senator WEICKER. At which time you might have well been apprised of counsel who had been in touch with Mr. Simon.

General HAIG. I think that is essentially correct, and again I would have to emphasize that this was to me a very peripheral issue at that time among a number of far more urgent and more difficult issues, and I can recall, for example, at that time there were allegations that the President was running a toll bridge in conjunction with Mr. Rebozo, between Paradise Island and the mainland of Nassau and was taking the funds from this.

There was an allegation that they had both been involved in a land purchase in one of the Caribbean Islands or in Latin America. All of these things converged in to me, and to me it was a rather sizable problem that was best in the hands of counsel and not in my primary responsibility.

Senator WEICKER. After this discussion with counsel, which would include Mr. Buzhardt, Mr. Garment, possibly Mr. Rose, you said—

General HAIG. Yes, I do remember Mr. Rose being there when we had this detailed discussion in my office.

Senator WEICKER. You then informed the President?

General HAIG. Yes, sir, I did.

Senator WEICKER. You say there was no discussion?

General HAIG. No; not to speak of. I cannot speak for the President's reaction. I don't think it was news to him that there was a problem of this kind. He just shrugged it off and, as a matter of fact, handled it with a number of other ongoing problems that I was discussing at the time.

Senator WEICKER. In other words, you came away with the impression that this was not the first he had heard of this particular problem?

General HAIG. I cannot say that with finality and I would not presume to. Subsequently, I got the distinct impression on the weekend I gave the attorney's name to Mr. Rebozo that Mr. Rebozo was well aware of IRS' interest in this matter and apparently had been so for some time.

Senator WEICKER. But again I want to follow in time the track. So the initial passing along of this piece of information to the President, you said 3 or 4 days later you again met with the President on this matter.

General HAIG. No; I said that I got the name of an attorney 3 or 4 days later and mentioned to the President I had this name, Mr. Gemmill.

Senator WEICKER. Who made the request that an attorney be found for Mr. Rebozo?

General HAIG. Our counsels, Mr. Garment, Mr. Buzhardt, and Mr. Rose said that if, in fact, this were the kind of—and in this climate, and with all of the charges that were running around the newspapers at the time, that if Mr. Rebozo felt the need for a competent tax attorney, he should certainly have one, but that was his option to exercise or not to exercise. It wasn't until later that a specific name was recommended which I passed on to the President and to Mr. Rebozo at Key Biscayne.

Senator WEICKER. And you say, however, it was the President at Key Biscayne who requested you give the name?

General HAIG. When I first told this to the President, I told him that the attorneys thought Mr. Rebozo ought to have competent counsel and they would be willing to get a name and he said, "Tell them to do so," and they did, and then subsequently I got the name and it was passed on.

Senator ERVIN. Was this after Mr. Haldeman and Mr. Ehrlichman had left the White House?

General HAIG. Yes, Senator, they had. When I came, they were gone, on the 6th of May.

Senator ERVIN. They left on the 30th of May, that is my information.
General HAIG. The 30th of April.

Senator ERVIN. I mean April 30, 1973.

General HAIG. I had one meeting with Mr. Haldeman in his office. My first exposure to the White House was to go to Key Biscayne and meet with the President there. When I came back, Mr. Haldeman's office was vacated. I think he used that weekend to get his last personal effects out of the office I occupied and I did meet with him that Monday, I believe it was a Monday or Tuesday, and talked about the duties and responsibilities that I would have to pick up.

Senator ERVIN. About how many days was it after the 30th of April 1973, before you got the call from Mr. Simon, the first time?

General HAIG. I think it was probably about the last week in May and I had had a call a week earlier about the audit.

Mr. LENZNER. Well, just to tie that one up, General Haig, do you know how long after the President's May 22 statement that you received that phone call from Mr. Simon, was it before or after the May 22 statement?

General HAIG. I am quite confident it was after, because the May 22 statement, we almost started immediately on that. I am quite confident it was after.

Mr. LENZNER. Do you know how long after?

General HAIG. Very soon afterwards.

Mr. LENZNER. And do you have any logs, any telephonic logs?

General HAIG. No; I had a notebook, an appointment book, which I reviewed this morning to try to get a fix on this date. I don't have a fixed date and I do not have a record that shows it, because I had walked into what was a fairly complex situation to get set up and operating, and I did not have that.

Mr. LENZNER. Does your secretary keep a record of who calls you or whom you call?

General HAIG. She does now. She didn't then, unfortunately.

Mr. LENZNER. Did you make any notes of the call that you had with Mr. Simon?

General HAIG. No; I did not.

Mr. LENZNER. Well, I would like to come back to this area so you can tell your whole story. Why don't you go ahead and continue and we will come to some other points we want to pursue.

General HAIG. Subsequently, some time during the summer, I know Mr. Garment told me that Mr. Gemmill had been acquired by Mr. Rebozo to represent him in this matter. Concurrently, we had Mr. Gemmill come over sometime that summer to work on the President's property, he worked with Mr. Rose, and I saw—met Mr. Gemmill sometime that summer, I think July probably for the first time.

We may have exchanged a word or two about the Rebozo IRS investigation. I do know at some point in the summer Mr. Gemmill started to mention to me—always peripheral to one of the meetings that we would have had on the President's affairs—that he thought the IRS investigation of Rebozo was the most extensive that he had observed in all of his years of handling tax matters with the IRS.

On one occasion, it could have been August or September, he recounted to me that he was very disturbed that a great deal of what was

going on was leaking to the press, and that he was concerned about it because it was a matter of considerable monetary cost to his client who was running a banking institution and who was experiencing some runs on deposits. It was always an informational type thing.

Then in the fall—this would have been late September or October—again when Mr. Gemmill was in my office with counsel discussing Presidential legal affairs, at the conclusion of one of these meetings he told me that the IRS investigation had been extended, that he was constantly being told by IRS investigators they had concluded only to find out that they had not—and they wanted to go back into this or that or the other thing, and again he complained about the extent and the severity and intensity of the investigation as being something way beyond the normal that he was accustomed to.

He also stated to me that he had finally—and this was in, I think, October—I am quite confident it was in October—that he had been told by the IRS man in charge of it that they had, in fact, concluded their investigation and that they had felt that Mr. Rebozo had been absolved of any difficulties with respect to charges or failures to pay income or handle the thing appropriately, but that they were inhibited from announcing this or making it official, because at that time the Special Prosecutor's Office had expressed an interest in it, and that the agents had told him that they could not conclude the matter until the Special Prosecutor had given them a clean bill of health on it. That is about it.

I know that the committee here is interested in what I may have done with that information. I am not sure whether I even mentioned that to the President. I probably did. I am sure I would have. I do not recall any particular reaction about it, other than what has been his reaction any time this issue has come up in my presence, and that has been that it is characteristic of a lot of the things that have been going on.

I mentioned this to Elliot Richardson on October 18, I know that, and I know you have asked that specific question. I mentioned it as a peripheral issue at a time we were discussing another matter, which was the focus of our conversation, and it was used as an illustration of the Special Prosecutor moving very broadly within his charter at that time, and that is all. That is the only reference that was made to it to Elliot Richardson. It was entirely in that context and it had nothing to do with the subject matter which we were discussing, which was one of considerable importance.

I think I mentioned it also to George Shultz, the fact that Mr. Gemmill had told me that the case had been completed, as far as IRS was concerned, and that no clean bill of health had been given to Mr. Rebozo because the IRS was afraid to do so until the Special Prosecutor had concluded his deliberations on the matter, and, as I recall, Mr. Shultz said, "Well, I am not sure that is so; I think they still have some questions," and I think that is the sum total of my exposure to this thing, and certainly any actions that I may or may not have taken with respect to it. I have discussed it on occasion with Mr. Rebozo in the sense that when I go to Key Biscayne with the President, frequently I will be in a gathering where he will be there and he invariably will raise this as an unjust and unfair persecution of him. He will talk about the press leakage, the impact it has had on his own financial interests,

but that has been only in a social context and never for the purposes of anticipating any action on my part, because I had none that I would take.

Senator WEICKER. So, in other words, this is not a matter then that you have followed since when—except as it is raised in conversation?

General HAIG. That is right.

Senator WEICKER. When was the last time you were involved in this matter in an official capacity, aside from that of hearing about it?

General HAIG. Well, I have had observation of a more recent flurry, of course. The matter that suddenly—now Rose Woods and the President's brothers are alleged to have received some of this money.

When I say that, I mean it in the context of reading it in the newspapers, having met Rose Woods in the hall one day and she said, "My God, they are hauling me up on this one now." And I make it a habit of not going much further than that with anyone who has these problems for the simple reason that I am very conscious of the vulnerabilities involved. But I did have a brief exchange with her on it and she expressed her consternation and outrage at the allegations that have been made with respect to her. That is the most recent flurry that I can recall.

I, of course, had a discussion this morning with the President on the dilemma of how to cope with this situation here. He told me at that time that he wanted me to come up here and be explicit about whatever I knew with respect to this matter, to include whatever discussions he had with me on it as an exception to the executive privilege, which as you know, he feels strongly about.

Senator ERVIN. Did you talk to Mr. Kalmbach about this?

General HAIG. No; I don't know Mr. Kalmbach, never talked to him, to my knowledge, and certainly not on this subject.

Mr. LENZNER. General, do you know of any employee at the White House who has been assigned to monitor or track the problems involved with the Hughes-Rebozo matter?

General HAIG. Not at all, and I am confident if there were one, I would be aware of it.

Mr. LENZNER. So, as far as you know nobody is trying to stay abreast or keep current with this?

General HAIG. No.

Mr. LENZNER. Or any issues relating to this?

General HAIG. Having said that, I must tell you that anyone who works in the White House today around the President is concerned about anything that involves the President.

Mr. LENZNER. I understand that.

General HAIG. In that broad sense, of course, I guess we all have our antenna up. If you hear something that is disturbing and troublesome it registers.

Mr. LENZNER. Do you have any notes, documents or any other kind of matter that reflect the matters you have just testified about?

General HAIG. None to my knowledge, no; I do not.

Mr. LENZNER. Now, prior to the time that you had your conversation with Mr. Simon—the first conversation with Mr. Simon with regard to this matter—had you had any discussions with the President with regard to the Hughes-Rebozo matter?

General HAIG. None whatsoever.

Mr. LENZNER. Had you had discussions with any individual prior to the contact?

General HAIG. No; the first time I ever heard of this issue was at the time I had that notification from Mr. Simon.

Mr. LENZNER. Now, prior to your communication with Mr. Simon, were you aware that on or about May 20, 1973, the President met with Mr. Danner and Mr. Rebozo at Camp David, Md.?

General HAIG. I was aware of it subsequently, because I remember the flurry of public relations activity associated with it, and that I think occurred in August, much after the fact. I don't know Mr. Danner and the name would never have registered. I generally knew who the President met, but at the Camp David exercise, no.

I remember when it became public that there had been such a meeting, some discussions with respect to that, and a very clear enunciation on the part of the President to the Press Secretary, not in my hearing, because I did not deal with it, there had been no discussion about the matter at the Camp David meeting.

Mr. LENZNER. I am a little confused. Are you saying when the news items came out that you recall at that time that there had been such a meeting between—

General HAIG. No; I do not recall the meeting; it never registered on me that there had been such a meeting.

Mr. LENZNER. And after the news?

General HAIG. Until after the fact.

Mr. LENZNER. After the fact, did you discuss the meeting with any individuals yourself?

General HAIG. I discussed it in the context of having the Press Secretary be able to cope with what was a matter of current press inquiry.

Mr. LENZNER. And?

General HAIG. To get the facts and to put the facts out as we best knew them.

Mr. LENZNER. Whom did you discuss that with?

General HAIG. I discussed it with Mr. Ziegler.

Mr. LENZNER. And did Mr. Ziegler, when you discussed it with him, have the facts with regard to the meeting?

General HAIG. I cannot recall. I do know he got them. I know he discussed the matter with the President and subsequently put out a response to the press inquiry. I did not handle that. No, I did not.

Mr. LENZNER. But were you present when Mr. Ziegler discussed it with the President?

General HAIG. No.

Mr. LENZNER. Did you, yourself, discuss the meeting with the President?

General HAIG. No; I did not.

Mr. LENZNER. Did you make any effort to ascertain how long the President met with Mr. Danner and/or Mr. Rebozo?

General HAIG. I think I know what you are driving at. I was satisfied from a discussion with Mr. Ziegler that he had ascertained the facts of that so-called meeting, the details of it, the purposes of it. I recall being told by Mr. Ziegler that the purpose of the meeting

at Camp David was to enable Mr. Danner to express his support for the President at a time when the President had been under heavy attack.

Mr. LENZNER. And this was information that Mr. Ziegler represented he had obtained from the President?

General HAIG. Yes, more than that. I am sure he checked the logs of the President's meeting time and he knew that he was precisely correct in whatever he would put out publicly, because we have had considerable difficulty in that area and so we are very careful about it.

Mr. LENZNER. Do you know whether the logs reflect that Mr. Danner did, in fact, meet on or about May 20, 1973?

General HAIG. No, I did not check that.

Mr. LENZNER. Did Mr. Ziegler represent that he had checked the logs and they did reflect that meeting?

General HAIG. I cannot answer that. I know that my frame of mind at the time was such that he was on top of the matter and he had the details.

Mr. LENZNER. Well, the purpose of the meeting was for Mr. Danner to express his support for the President. That came to you from Mr. Ziegler who had obtained it from the President; is that correct?

General HAIG. He may have obtained it from any other sources, too. I do not know. He may have obtained it from Mr. Rebozo, he may have talked to Mr. Danner. I don't know, I did not inquire. You know, what I am saying is, I cannot tell you precisely how Mr. Ziegler obtained the information that he had. I have great confidence in his ability to do so, however.

Mr. LENZNER. But you did say that he represented to you that he had discussed the meeting with the President?

General HAIG. Yes; I got that very distinct impression.

Mr. LENZNER. Did he tell you what the President told him with regard to the meeting?

General HAIG. No.

Mr. LENZNER. He did not?

General HAIG. No. I assumed he told him just exactly what I have told you, that he was brought up very briefly to register his support and to say hello to him. That is the distinct impression I got. I don't want to be too definitive on something like this. It is one of those things that moves very, very quickly. It is a press matter, primarily, or it was, from my perception of it at that time.

I could have learned some things subsequent to the event and I don't want to be too precise on it. My recollection is this is a very blurred situation other than what I have told you.

Senator WEICKER. Off the record.

[Discussion off the record.]

Senator WEICKER. On the record.

In any of the conversations which you had either with counsel, prior to informing the President of the Rebozo IRS investigation, or in subsequent conversations with the President and/or Rebozo, did you find out or did you advise as to the matter of the money being returned? In other words, who ordered that and when, if at any time, did you learn that?

General HAIG. I cannot answer, Senator, who ordered it. My own recollection of it—the original discussion with our attorneys was that I hoped and prayed to God the money would be returned. I think Mr. Rebozo told me the money had been returned or was to be returned.

I know Mr. Gemmill on one occasion mentioned to me that he was going to New York to turn over the money with Mr. Rebozo and I did not check the circumstances. It was merely an informational thing. I know on one occasion these were some press speculations about the money and I don't know whether it was serial numbers or what, but they were—the money was newer than the time that Mr. Rebozo allegedly received the payments, and I think this fall or this spring, when I saw Mr. Gemmill again, on the President's tax matter, I said, "What is this about the money?" and he said, "Oh, that can't be right because it was checked and all the serial numbers were checked at the time," and that is about it.

Senator WEICKER. Well, now, this was, as I understand it, counsel can correct me, either counsel—if I am not mistaken, this money was in the nature of a contribution to the President's campaign. Did the President at any time order that the money, to your knowledge, be returned?

General HAIG. I can't answer that with precision, sir. As I say, I think that anyone who heard about this, I would assume the President reacted as our counsel did, and as I did at the time I first learned about it, that that was an imperative that certainly must be recognized. He does not give orders to Mr. Rebozo, nor did I. I don't view myself in that position.

Senator WEICKER. What I mean to say here, General, if this was not money given to Mr. Rebozo, but rather money given to Mr. Rebozo in the nature of a contribution to the President, and what I am trying to ascertain is, either for lack of a better time, counsel among yourselves—prior to seeing the President or when you informed the President or at any subsequent time, did anybody state that it would be the best thing to do or proper to have that money returned?

General HAIG. I did not.

Senator WEICKER. Or was this left up to Mr. Rebozo?

General HAIG. I assume it was, and I have no way of knowing whether or not it was. I did not convey to Mr. Rebozo instructions or even advise that he should return the money. I knew the money was being returned.

Senator WEICKER. How?

General HAIG. Well, as I told you, Mr. Gemmill told me the money had been returned. I am not sure whether the President mentioned to me the money had been returned or Mr. Rebozo mentioned to me the money had been returned, or whether I read it, but it was not a matter that I was really quite operationally concerned with, other than the kind of nagging worry that would be for anyone around the President.

Senator WEICKER. I suppose the point I am trying to make—I am trying to do the best I can to dig out the facts which clearly are difficult for you. I can understand that during that period of time there must have been about 100 different situations. This was not a Rebozo problem, as far as the money was concerned.

What I am trying to state—it obviously was a Presidential problem as far as the money was concerned. It was not Rebozo money, it was in the nature of a contribution to the President's campaign, and as such, I only wondered as to whether or not you all discussed the matter as to how best to treat the situation, assuming no knowledge of the President that Mr. Rebozo had this money.

General HAIG. I do not know how to best answer the question, but I must say this: That at the time I first heard it my concern was, did the President know about this? That is the reason why we decided, I think collectively, and me with the advice of counsel, that I should pass this matter on to the President without delay.

I did not view it as a matter of the President's money. I viewed it as a matter of the President's friend who was being charged with having received money which he obviously retained in his possession and had not reported, perhaps had not paid taxes on it, perhaps, whatever irregularities can be attributed to that.

As I recall, it was a 2-year span he held that money. I have subsequently been told that Mr. Rebozo did not tell the President about the money at the time of receipt, that he himself did not give it, process it as he had processed other campaign contributions, for fear that it had an aura about it that could be very troublesome politically.

Now I have been told that, but I have had no—I don't know how to describe it—no operative role in those facts.

Senator WEICKER. When you first met with Mr. Rebozo, or at any other time, not just the first time, after having been informed by Bill Simon, did Mr. Rebozo tell you what the nature of this money was, that it was a contribution to the President's campaign?

General HAIG. Well, I assumed that from the beginning, but it was not a subjective focal point of my assessment of the problem that it was the President and the President's problem. I was looking to be sure the President had fewer problems, not more.

Now, I think Mr. Rebozo or the President or counsel told me that Mr. Rebozo had gotten two increments of payments, \$50,000 each, and that he had put them in a safe-deposit box, he had wrapped a rubber band about it. I know I have heard Mr. Rebozo say, but I think it was much subsequent to the initial encounter we had on it, where I gave him the name of the lawyer. All I recall, the first discussion with Mr. Rebozo was to give him Mr. Gemmill's name and to have him say, "Well, yes, I have had this money and IRS is aware of it," and I had gotten the impression it was an ongoing discussion and dialog.

Senator WEICKER. Was there any discussion in the Committee To Re-Elect the President, insofar as it was alleged this was a contribution to the President's campaign?

General HAIG. Not that I am aware.

Senator ERVIN. Who told you about the money being put in—about the money put in rubber bands?

General HAIG. Senator, I believe that Mr. Rebozo told me that.

Senator ERVIN. It has been my recollection we have received evidence that at the time the money was taken out of the safe deposit box for its return to the Hughes interest, that the serial numbers were then noted.

We have no evidence any serial numbers were noted at the time that the money was put in the box. So I just want to make it clear what Mr. Gemmill told you because that would be very important evidence if any such serial numbers were copied.

Did Mr. Gemmill tell you they had the serial numbers when it came out or when it went in?

General HAIG. I do not recall. I recall I got the impression when the money was turned back.

Mr. ERVIN. That is our evidence, the evidence taken before us.

We have no evidence that any serial numbers were noted by anybody or any record made of the serial numbers at the time Mr. Rebozo said he—

General HAIG. When he received the money. I have never heard this.

Senator ERVIN. I want to clarify your testimony about Mr. Gemmill's remark. In other words, Mr. Gemmill's statement to you, so far as you can recall it, is that what he said about the serial numbers was related to the time the money was taken out of the box for the return?

General HAIG. Yes, and I think Mr. Rebozo told me subsequent to this initial exchange and in one of these social things, he said, "My God, I had an FBI agent come in to be sure that it was correct, but it was always in the context of when the money was turned over."

Senator ERVIN. That is in harmony with our testimony. I wanted to clarify that.

I regret very much I am going to have to go.

Mr. LENZNER. Did you say who told you Mr. Rebozo had not told the President about the money?

General HAIG. I cannot answer that question.

Senator WEICKER [presiding]. Excuse me.

Now, I still want to come back to the point as to when it was that you found out that the money that Mr. Rebozo was holding was in the nature of a political contribution to the President.

Was it when Bill Simon called you? Was it when you met with counsel? Was it when you met with the President? When you went down to Key Biscayne and met with Mr. Rebozo?

General HAIG. I know you are asking a very fine point that you have a keen interest in, Senator, but I have got to express to you that from the outset I assumed it was a campaign contribution. That is the way it was conveyed to me.

Senator WEICKER. I see.

General HAIG. In that context, yes, of course, but as far as the President knowing anything about such a contribution, that never even entered my mind at the time that this first news was given to me.

What I was concerned about was a close associate of the President being involved in an investigation suggesting irregularities and that was the context of our first discussion. We were concerned when we had that meeting as to what appropriately could we do with the information, was it appropriate, for example, for me to pass this on to the President. I recall, at the time, our saying this is a normal IRS intelligence-type thing and when a matter of potential embarrassment comes that it can be and should be, in fact, conveyed to the President.

I also recall the counsel saying: "Do not be the portrayer of this to Mr. Rebozo."

We didn't know at the time what Mr. Rebozo knew or did not know about the issue and we were very conscious of the dangers of passing on, if you will, information received through official channels to a third party, not associated with the Government and we did not want to make that kind of a mistake.

Senator WEICKER. Well, if this was in the nature of a campaign contribution, why, then, was it not determined to turn it over to the Committee To Re-Elect the President, or to put it another way, why was it determined to try to give it back to the donor?

General HAIG. I cannot answer that except the Committee To Re-Elect the President at that time was in a very bad state of disarray.

I think our concerns were, if you get money which has not been reported, the best thing to do if you do not want the money, and the money was apparently in some controversy, as I recall, it had something to do with the Hughes-Maheu split, the sources of the money were questionable—I just don't know—we did not threat this as a key problem at that time.

Senator WEICKER. Did you participate in the decision or did you know of those who participated in the decision to return the money to Hughes or to attempt to return the money to Hughes?

General HAIG. No; but I know my inclination at the time was, I hoped and prayed he had returned the money, and at that time I didn't know where the money was and I would have thought he should have returned it. I know subsequently during the summer someone told me that Mr. Rebozo had been trying to return the money for a considerable period of time, which made great sense to me. I don't know anything of the details about that but it was a hearsay piece of information that I guess influenced my perception of it.

Senator WEICKER. Wouldn't you look upon the problem as being dual, that of Mr. Rebozo, as it related to the IRS and return of certain moneys which were unreported, and which would relate to the President, since it was his campaign, the money was given as a campaign contribution? Did you look upon it as two problems, or did you look upon it as unreported income to Mr. Rebozo?

General HAIG. Well, I looked at it as really several problems. One is, it was another charge among many, many charges floating around at that time.

Senator WEICKER. It was true, wasn't it, there was \$100,000.

General HAIG. I have no way of even knowing that. I assume it is true because it has continued to be the subject of investigation. Many of the other things have dropped by the wayside. At that time I just assumed that.

Senator WEICKER. Are you saying neither you nor counsel, when you met with counsel prior to meeting with the President, thought the facts to be true?

General HAIG. I had no way of knowing whether they were true or not. I must say, and I guess it is hard in this room for people that were not exposed to the wild charges that were flowing about at the time to understand some of them were just as crazy as they could be. Some had greater roots. I did not know the answer. I do not think our counsel did.

Senator WEICKER. So when you gave Mr. Rebozo Mr. Gemmill's name, even at that time Mr. Rebozo did not tell you that he had \$100,000?

General HAIG. I think he hold me, "Yes, IRS is aware of this, I have told them this."

Senator WEICKER. So you know it to be a fact that he did have \$100,000 which had been given to him as a campaign contribution to the President?

General HAIG. I assumed that to be so. I didn't question him.

Senator WEICKER. All right. As a campaign contribution to the President, forgetting whatever problems Mr. Rebozo might have with the IRS, was there anything you or anyone else within the White House recommended as to the Presidential aspect of the problem?

General HAIG. No; not in that context other than to be very sure that if needed Mr. Rebozo had competent legal counsel. After all, all we were being told was that the Internal Revenue Service was launching an investigation, which is at it should be. I think that is about the limit of it.

Mr. LENZNER. Well, just following up on what Senator Weicker asked, did you or any of the other employees of the White House, to your knowledge, ever furnish any advice to Mr. Rebozo with regard to the contribution?

General HAIG. I know I didn't. As I say, I have had several discussions with them but never in the context of official advice or any other kind. I do not know Mr. Rebozo that well.

Mr. LENZNER. Again, when you discussed with counsel, after your discussions with Mr. Simon, was the issue of whether the fund should be turned over to the Committee To Re-Elect or back to Hughes discussed?

General HAIG. I do not recall it ever coming up in the context of referring that money to the Committee To Re-Elect. The committee, when I got to the White House, was an entity that really was not viable for any considerations at that time. I do not know that I have lost that perception of it since.

Mr. LENZNER. Was there any concern to determine why Mr. Rebozo held the money for as long as he did?

General HAIG. Well, there was considerable personal concern and concern with counsel about it and I think concern that this was his problem and hopefully the President was not involved, and we passed it on to the President to be sure that he was aware of it.

He was aware of it. As a result of that, and I say, I am not sure he did not know beforehand and I didn't ask him, I am confident he did because I subsequently got the impression in discussions with Rebozo that this had been ongoing for some matter of time with the IRS. I also got the subsequent impression that the President was not aware of that contribution at the time it was made. When he became aware of it, I cannot answer that, Senator, and I haven't presumed to ask the President that.

Mr. LENZNER. On what do you base your knowledge of the fact that the President was not aware of the contribution at the time it was made? What is that based on?

General HAIG. It is based on either something that the President has said to me or something our counsel have said or something Mr. Gem-

mill may have said, or perhaps Mr. Rebozo; but I definitely have that impression and have had it for some time.

Mr. LENZNER. I take it the purpose of discussing this with the President after your meeting with counsel was because of your joint concern that the President might have a problem here, and did you ask the President at any time whether, in fact, there should be any concern with regard to him since his best friend was involved in this?

General HAIG. Not in the hard way that you have asked it. In my discussions with the President on this matter, which have been very, very limited, I had the distinct impression that he was aware of the implications of it fully and he was comfortable with the process that was underway with respect to it.

Mr. LENZNER. What did he say about it?

General HAIG. I do not know. What do you mean?

Mr. LENZNER. What did the President say to you when you say he expressed the fact that he was comfortable with the ongoing—

General HAIG. I am talking about a general state of mind that I have had as a result of the few discussions I have had with the President on this matter.

Mr. LENZNER. I am asking what he said that created that state of mind, that the President said to you that created that state of mind.

General HAIG. I cannot give you anything, anything precise that I could recollect, that would really be pertinent to what your question is.

Mr. LENZNER. Do you recollect any statement that the President made to you in discussing the \$100,000 that Mr. Rebozo received?

General HAIG. No. As I said, he has on occasion expressed consternation about it, the way it has been handled.

Mr. LENZNER. What did he say about that?

General HAIG. He thought that the investigations have been excessive and—

Mr. LENZNER. Which investigations, General Haig?

General HAIG. IRS investigations, the leakage of information, and I suppose committee investigations as well. You know a great deal of this stuff has come out in the press. There have been prolonged periods down there in the bank where there have been investigators and cameras and news reporters and he has expressed consternation about this from time to time to me, but never in the context that I was to do anything about it at all.

Mr. LENZNER. So you recall the President's concern with regard to the IRS investigation and the Senate Select Committee investigation of Mr. Rebozo's return of \$100,000?

General HAIG. In the context of abuses and leakage of evidence and material that had been provided to investigators; yes, sir.

Mr. LENZNER. And did he express any concern with regard to any witnesses that had been interviewed with regard to these investigations?

General HAIG. I do not think so, to my recollection. I cannot recall.

Mr. LENZNER. Do you recall any other statement the President made to you, aside from his concern with regard to the investigations, relating to the return by Mr. Rebozo of \$100,000?

General HAIG. Do I recall any other discussions?

Mr. LENZNER. Any other statement that the President made to you with regard to the \$100,000 returned by Mr. Rebozo, in addition to his concern with regard to the investigation?

General HAIG. As I say, I have difficulty pinpointing whether I got something from the President, from our attorneys, from Mr. Gemmill, from the newspapers or perhaps even Mr. Rebozo himself, although my contacts with him have been very limited and almost entirely to the few times we have been in Key Biscayne, and there were probably other people there when this came up. But I know I got the distinct impression that when the initial information was given to the President, I had the impression he was aware of the situation. He has, on the few occasions we have discussed it, merely expressed to me his consternation about the direction in which this investigation was going. He was very disturbed, I know, very recently when Miss Woods was called up here and there were allegations made about his brothers.

I think he believes, and he has conveyed to me, these are totally unfounded allegations.

I think that is about the sum total of what discussions we have had on it.

Mr. LENZNER. Did the President express any concern about Special Prosecutor Cox's investigation?

General HAIG. No; never.

The concerns I had about it were very limited. In the fall there were some concerns about a number of areas that the Special Prosecutor may or may not have been involved in the context of his charter. Mr. Buzhardt, I know, has discussed it with me and I know he discussed it with the Attorney General at that time, Elliot Richardson.

I think I recounted at the outset—I raised this with Mr. Richardson because you expressed concern the last time I was here about discussions I may have had or may not have had with Mr. Richardson on this subject. I think I know the directions in which your interest lies and I think I can state categorically, that actions taken with respect to Mr. Cox in October were in no way from my frame of reference, and it is a fairly precise one in terms of that incident, related to the decision made to fire Mr. Cox.

Mr. LENZNER. Well, now, specifically, did you discuss with the President the fact that the Special Prosecutor's Office was initiating an investigation into Mr. Rebozo at any time?

General HAIG. I do not recall doing so, and it was not a matter of special concern, it was just another area of Mr. Cox's activity. I do not recall discussing this with the President.

Mr. LENZNER. Do you recall representing to Mr. Richardson that the President was concerned that Mr. Cox was getting into an investigation of Mr. Rebozo?

General HAIG. I may have. I know our counsel were concerned about it.

Mr. LENZNER. Which counsel was that?

General HAIG. Mr. Buzhardt and I discussed it. We discussed that and we discussed another area of activity that Mr. Cox was into and I know there were some ongoing discussions with Mr. Buzhardt and Mr. Richardson.

Maybe you had better continue asking.

Mr. LENZNER. Did you advise the President, after you talked with Attorney General Richardson, that you had raised the question of Special Prosecutor Cox's investigation into Mr. Rebozo?

General HAIG. No; I am sure I did not because I know when it was raised. It was raised in the context of another matter which I did apprise the President of in great detail.

Mr. LENZNER. Which was that, sir?

General HAIG. That was the week of the so-called Stennis compromise which we were working on. As I pointed out earlier, that is when this issue arose.

Mr. LENZNER. Do you recall on or about October 18, 1973, telephonically communicating with Mr. Richardson and telling him in addition to talking about the Stennis proposal that there was concern in the White House with regard to the investigation Mr. Cox was conducting into Mr. Rebozo?

General HAIG. Yes; I do, and again in the context of an indication. At the time we were very concerned about another matter with respect to Mr. Cox and Mr. Cox's failure to give us a response and the whole subject of Mr. Cox's frame of reference, activities, and investigations came up.

As I recall, Mr. Richardson mentioned something to me about a Cox activity at that time that I knew nothing about, involving Abplanalp and his discussions with Mr. Cox about that. Well, I did not raise that, Elliot raised it. I raised this strictly in the context of the problems we were having with Mr. Cox on another issue, and what I would want to make very, very clear is that the Rebozo matter had nothing to do with the considerations and deliberations made with respect to Mr. Cox in that week of October.

Mr. LENZNER. You were aware at the time that the matter was related to a campaign contribution, is that correct?

General HAIG. Yes; but I thought it more in the context of trouble with the IRS and possibly illegalities with respect to the IRS.

Mr. LENZNER. What was the basis of your concern in view of the fact that the money was a campaign contribution? What was the basis of your concern over whether the Special Prosecutor was investigating it or not?

General HAIG. Well, up to that time, as I recall, there were a number of things that Mr. Cox was either reported to have or alleged to have started new investigations on.

I think it would be well for me to express to you what my concerns at that time were and have been with respect to this whole matter.

In the month of October we were in a situation in which, for better or worse, I assumed, and that was an assumption shared by some people in whose judgment I have high regard, that this whole matter was influencing calculations being made abroad.

You will recall that the Middle East war started on the 6th of October and we were noticing increasingly from the outset of this conflict, a hardening of relationships between ourselves and the Soviet Union and I was very concerned that if these investigations were to be prolonged and continued, and I must say my perceptions would be very different than those of the people in this room and had to be, although I do not accuse you of not being conscious of them, too, I am sure you were and are. But this was my main focus of concern in

this whole matter. As a matter of fact, that was the genesis of that week's activities in the White House and I think Senator Ervin himself can attest to that because he was involved in some of the discussions.

What I am trying to get across to you, if I can, is that I do not believe, to the best of my knowledge, that a discussion and a reference to Mr. Cox's looking into the Rebozo matter contributed in any way that I am conscious of, to the decision to separate Mr. Cox.

Mr. LENZNER. I appreciate that. I was only asking what specific concern?

General HAIG. My concerns were that we bring Watergate to as rapid a conclusion as we could for the good of this country, not that I am the least bit cavalier about the seriousness of all of the situation, but I am nonetheless convinced that is my responsibility and it was among my responsibilities to do what I could to bring these things to a conclusion.

Mr. LENZNER. When you called Attorney General Richardson on October 18 and discussed with him a number of matters, including the Rebozo investigation, was that at the instruction or direction of President Nixon?

General HAIG. No, it was not in that specific sense. And again you have to put yourself, if you can, to portray the kind of dialog that was going on during that week—during that week a proposal was conceived of, it was conceived of with complete consultation with Elliot Richardson and continuous discussion with him. I was frequently in the habit that week and at other times of having a discussion with the President and picking up the phone and calling Elliot Richardson. On that occasion I may have expressed this as being a Presidential concern and I am sure if I did that I would have reason to know that either because I knew the President's thinking or because he specifically told me so.

Senator WEICKER. If I may interject another line of questioning: I think maybe, Terry, you are coming back to it, but leaving aside Archibald Cox and other things, if this money was a campaign contribution, which nobody has denied, yourself included, who makes the determination as to what happens to that contribution?

Why would Mr. Rebozo make the determination? In what capacity would he make the determination that the money should be returned, for example?

Mr. BUZHARDT. May I say here that I think General Haig has expressed the outline of his duties. Nothing concerns political activities and political campaigns. He stated already he did not consider it in the context of those political campaign operations. So I think directing the question to him—

General HAIG. I have never, since I have been in the White House, touched or been involved with or concerned with campaign contributions. I have not. I would not touch it if someone suggested that I did. That may seem to be negligent. I don't think so because we just have not been involved in such matters.

Senator WEICKER. I understand, but there was a specific problem of returning \$100,000. My question is, who was to make this determination?

General HAIG. I viewed it as a problem that Mr. Rebozo had, that he had the money in a safe-deposit box which had apparently not been reported at the time the report came to us.

Senator WEICKER. I understand.

General HAIG. And that was his problem. I thought commonsense would be he would get that money to where it belonged.

Senator WEICKER. You never viewed it as a contribution to the President's campaign, you viewed it as—

General HAIG. I think I have made it clear when I learned about the thing for the first time, it was in the context of a campaign contribution that went to Mr. Rebozo, that went no further.

Senator WEICKER. So the money belonged to the President, is that correct?

General HAIG. I do not want to be led into saying it belonged to the President, therefore, we were remiss because we didn't take whatever action may be conceived should have been taken. What I thought was, and the way I viewed it, in the very brief period I dealt with the issue, was that Mr. Rebozo had \$100,000 that was given to him as a campaign contribution, that went no further and stayed, and he did not use as a campaign contribution, and I did not know what he used it for and IRS was aware of it and were looking into it, and that is as it should be.

I think I can add an additional thought here. I am not aware that President Nixon ever touched campaign contributions. He has told me repeatedly, I have heard him say it publicly and I have heard it socially and I have heard him say it officially, he made a habit never to touch campaign contributions.

What we are talking about here, if I get the drift of your questions, is whether or not the President of the United States had a responsibility with respect to this money. We did not view it that way. He never did.

Senator WEICKER. In other words, what you are saying, if that is the case, you have to view it as being Mr. Rebozo's money, period. Is that the way you all viewed it?

General HAIG. Oh, no, I think—

Senator WEICKER. How can you say the President didn't have any responsibility for the money? It is either Rebozo's money or it is Presidential campaign money.

General HAIG. Or it belongs to the President's campaign fund.

Senator WEICKER. Were you concerned, in other words, that the embarrassment would arise out of the President's association—friendship—with Mr. Rebozo, or were you concerned that the embarrassment would arise out of the \$100,000 being either unreported or undelivered?

General HAIG. That is hard to say precisely. I was concerned about the whole bag. I was concerned about it all. I think my principal concern was their evidence of illegality, and that would probably put it in the context of unreported return of funds with no taxes paid or no proper reporting procedures.

Senator WEICKER. So you were concerned with Mr. Rebozo, that that would fall upon his shoulders?

General HAIG. My concern for Mr. Rebozo would be solely in the context of the slop-over effect it would have on the President and the

Presidency. I did not even know Mr. Rebozo. I probably met him once, before this time had occurred. Subsequently I have seen him fairly often but prior to that time I did not even know him.

Senator WEICKER. So the first time you ever met with Mr. Rebozo was at the same time—

General HAIG. No; I met him at San Clemente a couple of times when I worked for Henry Kissinger.

Senator WEICKER. But in the context of your position of association with the President of the United States, the first time you met with him was when you suggested Mr. Gemmill's name to him down at Key Biscayne; would that be correct?

General HAIG. No. The first weekend I went to Key Biscayne in May I think Mr. Rebozo was there. I don't recall talking to him at the time. But when we get off the helicopter he is generally standing there and I shake his hand.

Senator WEICKER. Did you seek him out on the occasion of your meeting?

General HAIG. No; the President told me to give him the name.

Senator WEICKER. So you sought him out?

General HAIG. Yes; and I do not recall whether he called me or I called him but it was—

Senator WEICKER. Obviously, I am not trying to put words in your mouth, but let me ask, the conversation consisted of something more than, "Mr. Rebozo, the President has asked me to give you the name of Mr. Kenneth Gemmill, tax attorney, a good boy," or was there other conversation or inquiry on your part as to what was involved here from the horse's mouth, so to speak?

General HAIG. No; I believe he told me at the time that he had the money, that he had received the money, he hadn't used it. I don't know whether he told me then it was going to be turned back. I am not sure I even cared, I don't think I did.

I gave him the name of the attorney. I told him it was Mr. Garment who recommended him, and I think that is about the limit of our discussion on it. He may have told me, "Yes, I got the money and I got it with wrappers," at that time. I don't recall having that kind of a grasp of it. I think I knew by that time from the attorneys, that the IRS had passed through to Mr. Simon, to the attorneys, and I did know that the initial thing was—that there was \$100,000—two increments had gone into a safe-deposit box and had not been reported and had not been forwarded.

Senator WEICKER. At the time that you had this discussion, or at any subsequent time, did you discuss any other moneys which Mr. Rebozo might have received?

General HAIG. I do not recall. I recall the President telling me that Mr. Rebozo frequently received money, campaign money, which he normally would process through to the proper campaign recipients.

Senator WEICKER. Mr. Rebozo at no time then revealed to you \$50,000 for example, which he had received, which he testified to receiving from other individuals outside of this?

General HAIG. I don't recall. I do know that he has told me he had received money from time to time, and people were frequently giving him campaign money and he had generally passed it on through the proper procedures.

Maybe you have to be more precise.

Senator WEICKER. I was trying to be very precise, specifically, that \$50,000 which he has testified having received from the Davis brothers.

General HAIG. I do not know the Davis brothers.

Senator WEICKER. Has he ever discussed this with you?

General HAIG. I do not believe so, no. I don't believe so. If he has, it would not have registered because I do not know who they are.

Mr. LENZNER. Well, when the President told you that Mr. Rebozo had received funds in the past, did he indicate what time period?

General HAIG. I have had the impression, and I think he talked about a number of years, but I would have to be careful there because it is just the impression I had, that many times, and I assume this is not too unlike typical campaign situations, where a candidate, if he has a known individual who he is close to, and if he will not accept contributions, frequently they go that way. I don't know. This is a new field to me.

Mr. LENZNER. And did he indicate that time period would go back during the period 1969, 1970, 1971?

General HAIG. Not precisely, but I would have assumed that.

Mr. LENZNER. Did he indicate any other specific contributions that Mr. Rebozo had received that the President was aware of besides the Hughes contribution?

General HAIG. No; other than he told me he had frequently gotten money.

Mr. LENZNER. Did the President indicate that he had asked Mr. Rebozo to contact specific contributors at particular times?

General HAIG. Never to my knowledge.

Mr. LENZNER. Or that he had asked him to set up a separate fund in 1969 for the use of the White House?

General HAIG. I have never heard of such a fund. It has never been discussed in my presence.

Mr. LENZNER. Now, you were aware at the time, were you not, that you learned that Mr. Rebozo had been involved in assisting in the purchase of San Clemente and had been involved in other business transactions with the President?

General HAIG. No; frankly, I was not. At that time I had no conception whatsoever of the President's financial arrangements, his relationship with Mr. Rebozo, other than to know he was a friend.

Mr. LENZNER. And did you subsequently learn that the President and Mr. Rebozo did have financial transactions together?

General HAIG. I subsequently learned when the property situation developed and the allegations with respect to San Clemente that Mr. Abplanalp and Mr. Rebozo and the President had been involved in some kind of interlocking arrangement on the purchase of that property or on the mortgage of that real estate.

Mr. LENZNER. Did you ever attempt to learn whether Mr. Rebozo had spent any of the campaign contributions he had received, directly or indirectly, for the benefit of the President?

General HAIG. I am not sure I understand the question.

Mr. LENZNER. Did you ever attempt to learn whether Mr. Rebozo utilized the campaign contributions that he did receive, including but not limited to the Hughes contribution, for the direct or indirect benefit of the President?

General HAIG. I am not sure how to answer a question like that.

Mr. LENZNER. Did you ever attempt to determine?

General HAIG. Do I feel it was my responsibility to investigate what Mr. Rebozo may or may not have done?

Mr. LENZNER. With the money he had received.

General HAIG. No; I did not.

Mr. LENZNER. You were concerned as to whether this contribution related to any illegal activity, were you not?

General HAIG. I would be concerned about illegal activity at any time.

Mr. LENZNER. And did you attempt to determine whether there were any illegal activities connected to this contribution?

General HAIG. Are you talking about subsequent money or other money that may have been given to Mr. Rebozo or are you talking about the Hughes money?

Mr. LENZNER. The Hughes money, as I told you.

General HAIG. The Hughes money—as I told you, I was apprised that there was an investigation underway by the appropriate agency to look into it, and, if anything, I was determined to see that that was done properly.

Mr. LENZNER. And did you make any efforts to insure that it was done properly?

General HAIG. I did not have to make any because I was told it was underway and I received, as I told you, periodic reports from Mr. Gemmill on that. My concerns were, if anything, that there were delays and excesses being applied. That is because of where I stood and that is the kind of reports that were coming to me.

Mr. LENZNER. Did you ever discuss with the President whether any of those funds were spent on his behalf, any of the Hughes funds?

General HAIG. I don't recall ever discussing such a thing with the President; no. I do recall the President expressing to me his chagrin that there were allegations that his secretary had received some money or that members of his family had received such money, and I got the distinct impression from that that he would be appalled at such a thing.

Senator WEICKER. When did Mr. Gemmill report to you the money had been returned?

General HAIG. It would be about the same time it was returned because I know it was in conjunction with a trip he was going to take to New York to turn the money over, and that could have been July or June, I am just not sure.

Mr. LENZNER. Following up on Senator Weicker's question, was any discussion held with regard to whether the fund should be turned over, if not to the Committee To Re-Elect, to the Republican National Committee that was the continuing body?

General HAIG. I don't recall any discussion or any recommendation that that should have been done.

Mr. LENZNER. Now, do you have any recollection of whether you were in Camp David on May 20, 1973?

General HAIG. No, I do not believe I was. I may have been up there that weekend, I would have to check, in and out, but I do not recall that weekend and I do not remember seeing Mr. Rebozo or Mr. Dan-

ner, and as I say, I did not know Mr. Danner and would not know him if I did see him.

Mr. LENZNER. The President was preparing his May 22 statement at Camp David at that time. Does that refresh your recollection as to whether you were there?

General HAIG. I am not sure whether we spent the full time there or not. I don't think we did. I think I came in and out that weekend, together with counsel and a speechwriter.

Mr. LENZNER. Do you have any recollection of seeing Mr. Rebozo in Camp David?

General HAIG. No.

Mr. LENZNER. Now, one more question; on October 18—two more questions. When you called Attorney General Richardson, were you attempting to have Attorney General Richardson turn off Mr. Cox's investigation into the Rebozo matter?

General HAIG. Absolutely not. When I called Mr. Richardson it was in the context of an ongoing discussion and multiple communications with Mr. Richardson both in my office and telephonically on a matter related to the so-called Stennis compromise. That was the topic and the subject matter of our discussions that entire week. And on one occasion during that week when we had been awaiting a response from Mr. Cox, which those of us working on the matter felt was overdue, I expressed to Mr. Richardson concern that the IRS investigation, which had been reported to me by Mr. Gemmill as having been concluded with a clean bill of health given to Mr. Rebozo, was being delayed because Mr. Cox had put a hold on it, or his harsher language was "intimidating the IRS" so they could not get this additional burden off the back of the administration. And I do not know anything Elliot Richardson could have done about it in any event.

Mr. LENZNER. Were you aware at the same approximate time that the IRS was seeking to obtain a letter from Miss Rose Mary Woods with regard to the Hughes-Rebozo money?

General HAIG. No.

Mr. LENZNER. You were not aware that Mr. Buzhardt helped prepare a letter, that Miss Woods signed, to the IRS?

General HAIG. To the IRS?

Mr. LENZNER. Yes, sir.

General HAIG. No; I am not aware of that.

Senator WEICKER. Would General Haig or counsel like to take about a 5-minute break to get a drink of water or something?

Mr. BUZHARDT. I think we would really rather get through as soon as possible.

Mr. LENZNER. Going back to your telephonic communication with Mr. Simon, do you have any recollection as to whether you placed that call to Mr. Simon rather than him calling you?

General HAIG. I do not know. You have to be careful when you get a question like that. My recollection and my firm recollection is that the information was conveyed from him to me at his initiative. Whether I called him and he wasn't there and then he called me back, or vice versa, I cannot say, but the first knowledge I ever had of this subject was conveyed to me by Mr. Simon at his initiative.

Mr. LENZNER. And do you recall any specific information that he gave you besides the fact that Mr. Rebozo was going to undergo an IRS audit?

Senator WEICKER. I think the general has already testified to the fact that, as best as I understand the record, either in that conversation or in conversation with counsel subsequently, who had been in touch with Mr. Simon to learn of the details of the situation.

General HAIG. That is right; and I recall telling Mr. Simon, because I was goosey about the very subject matter he was raising, he best talk to counsel about it. However, how far he got in relaying to me what he knew about it, I don't know. I do know there was an investigation involving \$100,000 of campaign contributions.

Mr. LENZNER. Did you learn from Mr. Simon or others Mr. Rebozo had indicated to the IRS that the money had not been used because enough money had been raised for the campaign?

General HAIG. No, I have never heard anything of that character associated with this. What I heard was that Mr. Rebozo was concerned about the character of the money and the source of the money, that there were ongoing litigations with Hughes and that that was money best not put into the campaign coffers and that he, on his own, judged not to pass it on.

Mr. LENZNER. Did you ask Mr. Simon to determine exactly what potential tax liability or criminal liability, for that matter, Mr. Rebozo might be facing?

General HAIG. No; I did not.

Mr. LENZNER. Did Mr. Simon furnish you with any information with regard to that?

General HAIG. No, I do not recall that. I don't think so.

Mr. LENZNER. Do you have any recollection of Mr. Simon contacting you on the same date with additional information he received from the files of the IRS with regard to this matter?

General HAIG. You mean additional details on the initial report?

Mr. LENZNER. Yes.

General HAIG. No, I do not recall that. It does not mean it could not have happened. I do not recall. I do recall there being some confusion about what this was all about. The initial report I had was that the IRS was investigating Mr. Rebozo based on his tax return and his failure to report this money.

Subsequently I heard from counsel that wasn't the genesis of the problem at all; that it spawned out of the investigations in Las Vegas having to do with Hughes money, and that that is what triggered this thing.

Mr. LENZNER. Did you ever on occasion discuss the Hughes-Rebozo matter with Mr. Haldeman or Mr. Ehrlichman?

General HAIG. Never.

Mr. LENZNER. How about Mr. Higby?

General HAIG. Never.

Mr. LENZNER. Did Mr. Simon indicate to you, by the way, on the same day, that the IRS was also seeking to interview Donald Nixon?

General HAIG. No.

Mr. LENZNER. Did you learn subsequent to Mr. Simon's communication with you that Mr. Haldeman and Mr. Ehrlichman had been con-

cerned and had received information with regard to this matter—the Hughes-Rebozo matter?

General HAIG. You mean that they were—

Mr. LENZNER. They had been concerned about it prior to your arrival at the White House and they had received information concerning it?

General HAIG. No, I was not aware of that at all. In fact, I thought I was bringing the first news in and, as I say, I didn't get the impression that it was news to the President and it was subsequently certainly not news to Mr. Rebozo when I told him about the attorney. He told me that this had been ongoing for some time.

Mr. LENZNER. Well, did the President indicate to you, or someone else indicate to you, that, prior to your coming on the White House staff, other individuals had been working on this matter?

General HAIG. No.

Mr. LENZNER. Did you have any communications with Commissioner Walters or Commissioner Alexander at any time with regard to this subject?

General HAIG. Never.

Senator WEICKER. Have you checked this matter out, General Haig, on the tapes, such tapes that exist? Have you checked this matter out, this matter of the Rebozo problem, on tapes, if indeed such tapes exist, that are in the possession of the White House?

General HAIG. No; no, sir.

Senator WEICKER. Was the taping system in operation at the time these conversations were going on?

Mr. LENZNER. Yes, it was; it was up through June-July of 1973. We are talking about May, June, and July.

General HAIG. Maybe I am misreading you. Are you talking about the discussions that I have just learned about?

Senator WEICKER. What I am saying is, in other words, have you tried to enhance your knowledge relative to this matter by listening to any tapes that might exist on this matter?

General HAIG. No. As I say, my first recollection, my knowledge of the thing was the day that Mr. Simon informed me.

Senator WEICKER. I understand that. I understand that completely. But obviously you went and discussed it with the President?

General HAIG. Yes, sir.

Senator WEICKER. Before. All I am saying to you is, as this matter achieved a greater importance, let's say, in the public mind or the public domain, did you attempt to go back and refresh your memory as to the facts of this matter via the taping system?

General HAIG. No; because I think my recollection of my exchanges with the President are fairly precise. Also, I am doing 16- to 17-hour days on things that, as serious as this is, are equally serious in my view and perhaps a great deal more serious.

Senator WEICKER. I do not have the slightest doubt about the accumulation of serious matters.

Mr. LENZNER. General Haig, you said after you talked with Simon you met with Messrs. Rose, Buzhardt, and Garment, and one other associate counsel. Do you remember who the other counsel was?

General HAIG. No; I was told that Mr. Parker had been involved in the consultations before the counsel came to my office. I do not think

Mr. Parker came into the office. He may have. He did on the May 22 statement, from time to time.

Mr. LENZNER. And at the meeting that you had with counsel, do I take it correctly that they had information that they had received prior to your contact with Mr. Simon with regard to this matter?

General HAIG. No, I got the distinct impression, and I am sure you can ask them, the first knowledge of this matter was the result of the same sequence that I was exposed to, notification from Mr. Simon. I asked Mr. Simon specifically to contact the President's counsel and give him this information and in greater detail.

Mr. LENZNER. Did Mr. Garment indicate to you Mr. Rebozo had specifically requested Mr. Garment to advise him or find another counsel to advise him?

General HAIG. No, my recollection is, and I think it is precise, that the counsel raised the matter with me of the need of being sure that Mr. Rebozo had competent legal assistance; they had no way of knowing whether he did or did not and I should convey to the President in addition to the information that IRS was investigating Mr. Rebozo, that he should be counseled to have competent counsel and that they would so recommend if Mr. Rebozo desired to exercise that option.

Mr. LENZNER. Now when you furnished Mr. Rebozo with Mr. Gemmill's name in Key Biscayne, did he indicate to you that he did not have counsel at that time?

General HAIG. He indicated to me that he did not have a tax expert. I think I knew he had counsel, he had a lawyer. I think he probably mentioned it to me.

Mr. LENZNER. Did you know who that lawyer was?

General HAIG. No, I've subsequently seen his name—Frates.

Mr. LENZNER. Mr. Frates?

General HAIG. Frates.

Mr. LENZNER. Have you had any communication with Mr. Frates or any representative of his office?

General HAIG. No.

Mr. LENZNER. Was anybody present with you and the President when you discussed this matter on the first occasion after your phone call with Mr. Simon?

General HAIG. I don't think so. I'm sure I did not.

Mr. LENZNER. Did the President make requests or directions to you in addition to furnishing Mr. Rebozo with the name of that counsel, Mr. Gemmill's name, with regard to the Hughes-Rebozo matter?

General HAIG. Not that I recall; No.

Mr. LENZNER. Did he ever ask you to obtain any additional facts or information for him regarding this matter?

General HAIG. No, I have never to my recollection ever been involved in anything of that kind other than to listen to expressions of concern about the continuation of the investigation and the prolongation of it and whatever excesses were perceived to be falling out of it.

Mr. LENZNER. So the answer is "No," he did not make any request for information?

General HAIG. What you must mean is, did I contact the IRS with respect to it?

Mr. LENZNER. Or anybody?

General HAIG. No; other than the exchange I recalled for you with Mr. Richardson and his expression of concern to Mr. Shultz at one time.

Mr. LENZNER. Did you ever learn whether Mr. Rebozo had discussed this matter directly with the President, the fact that he had received these funds on the President's behalf?

General HAIG. I am confident they discussed it. There is no question in my mind about it. But I do not have first-hand knowledge except to know that the President has told me what Rebozo did and he could only have gotten that from Mr. Rebozo.

Mr. LENZNER. The President has described to you some statements Mr. Rebozo apparently made to him?

General HAIG. Yes, sir.

Mr. LENZNER. Can you tell us, do you have any recollection of what those statements were?

General HAIG. I think, and I cannot be precise, it was something that happened so long ago, and it was to me of peripheral concern. I think he probably said that Mr. Rebozo did not use the money because he was afraid it would have been troublesome and he put it in the safe-deposit box and left it there. I know more recently the President has expressed to me his absolute conviction that none of that money was given to Miss Woods or to his family, his brothers.

Mr. LENZNER. Do you know of any effort made to determine from either the President's brothers or Miss Woods whether, in fact, they did receive any of these funds?

General HAIG. I am aware it has been an ongoing effort.

Mr. LENZNER. I mean employees of the White House or the President himself.

General HAIG. Do you mean whether the President asked Miss Woods?

Mr. LENZNER. Whether the President or other employees of the White House interrogated Miss Woods or Mr. F. Donald Nixon or Mr. Ed Nixon.

General HAIG. I am not aware of any.

Mr. LENZNER. Do you know Mr. Stanley McKiernan, who is counsel to Donald Nixon?

General HAIG. No. I know of him.

Mr. LENZNER. Did you learn or become aware of a meeting that Mr. McKiernan and the President's two brothers had with the President in San Clemente in late December or early January 1974?

General HAIG. In January 1974?

Mr. LENZNER. Yes.

General HAIG. I was aware of a meeting, yes. At the time I think it had to do with some discussion at that time about the Nixon Foundation. I think that was the total of my knowledge about it. It was peripheral and was not a meeting that I was involved in, in any way.

Mr. LENZNER. How did you learn about it, General Haig?

General HAIG. I think the President told me.

Mr. LENZNER. Did he tell you about it before the meeting?

General HAIG. No; afterwards.

Mr. LENZNER. Did the President indicate that they had discussed the Hughes-Rebozo matter and the fact—

General HAIG. No.

Mr. LENZNER. He did not. Did he tell you they had discussed the possibility that the President's brothers might have to appear at either public hearings before the Senate Select Committee or the Vesco trial in New York?

General HAIG. No; I do not recall his ever telling me that. I don't think he would have. Our relationship was not of that character.

Mr. LENZNER. Are you aware of a memorandum which was prepared subsequent to that meeting concerning the President's brothers and the Hughes-Rebozo matter and other matters?

General HAIG. A memorandum prepared by whom?

Mr. LENZNER. By Mr. McKiernan and the President's brothers.

General HAIG. No.

Senator WEICKER. Did the President—General Haig, since your last appearance before the committee, is it at the President's suggestion that you are testifying today, or did you request of the President that you be allowed to testify?

General HAIG. Well, I don't think either, really, in a black and white sense. I think I personally have been very chagrined about this thing. I have been chagrined about it because I have read in the press that I refused to answer a number of questions which suggested to the reader that I had knowledge that I don't believe I had, which is bothersome to me personally.

I also must say, Senator, that before I was called to this committee I was notified by the New York Times that I would be, and it was the day after that I received notification that I should come. That bothered me a great deal.

The day I left here last—by the time I got back to my office, on the wires were first a report that I had refused to answer over 100 questions involving the Rebozo matter. Well, to any layman in this country that reads that, they can only assume General Haig is involved in illegal activity on the Rebozo matter.

Then the next lead that came out was a little more precise but equally damaging because the questions that were asked for the record here were given lock, stock, and barrel to the press. I personally resented that very much. I still do.

Because of that, and because of my own belief that I was put into a position in the White House as public duty, which I had to do, and because in the conduct of those duties I have been exposed to one or another piece of information that now it appears to some who do not know me that perhaps I am involved some way in an illegal conspiracy or worse.

Because of that, and after discussing it with Mr. Buzhardt and Mr. St. Clair and Mr. Garment, and at their recommendation I discussed with the President the dilemma, and he said, "Well, by God, I know what you don't know about this subject and you know nothing, and so I am going to waive the inhibitions I placed on you when you came up here last and I want you to tell everything you know and can recall about this subject." And that is sort of a joint combined judgment by counsel, myself, and the President that we should do this today.

Mr. DASH. May I say, Senator Weicker, in questions put to General Haig earlier today, it may raise some question or inference; somebody

from the staff may believe General Haig was involved in wrongdoing. That is really, perhaps, an improper assumption to make because information may have come our way that you yourself may not have been personally involved in any illegal or wrongdoing but the fact you may have such information may affect what other people may do. You yourself may be a neutral possessor of information and please—

General HAIG. I understand that, Mr. Dash.

Mr. DASH. I don't think you should take any—

General HAIG. What bothers me, if I enter into an executive session, by the very rules of this committee—I expect it to be processed that way.

Mr. DASH. You have every right to believe that.

Senator WEICKER. You have every right to believe it and unfortunately, General Haig, from what direction the news comes is something we cannot fathom any better than you can, and I would dare say if we knew the record, both of us, we would find it comes in equal proportions from both sides. But I want the record to state very clearly that never at any time, earlier or not, is there any importation at all of any involvement on your part in illegal activity. On the other hand, the difficulty you find yourself in is, I do share—I won't share, I will take it upon my own shoulders, I rather hold the view executive privilege as defined in the broadest sense of even pertaining to any knowledge of illegal activities, et cetera, is a lot of rubbish.

Unfortunately, that puts you in the bind that has nothing to do with your character or your integrity, which is beyond reproach, and has nothing to do with any of—

General HAIG. That is true, but I have been exposed to countless telephone calls from friends and longstanding acquaintances since that incident and the simple facts are that the results, whether intentioned or not, have been very damaging, and that is just a fact of life and I recognize that.

Senator WEICKER. As I said before, the record shows exactly how it is these matters come up and exactly which that I have stated relate to your reputation and your integrity. Unfortunately I would agree that delay in all this matter is something that does not help anybody.

General HAIG. No.

Senator WEICKER. Let me ask counsel this: What have you got left in the way of questions for General Haig?

Mr. LENZNER. I would say 35 minutes, probably. Scott has some. I have just a few held over.

Senator WEICKER. I want to recess for about 5 minutes.

[Recess.]

Senator WEICKER. Let's proceed with the questioning.

Mr. DASH. Can we proceed now as expeditiously as possible?

Mr. LENZNER. General Haig, after your contact with Mr. Simon, did you have other contacts with the IRS to obtain information with regard to the Hughes-Rebozo matter?

General HAIG. I have never discussed this matter with the Internal Revenue Service. In the 12 months, the only time I have talked with the IRS had to do with the leakage of some information in Rhode Island in which they subsequently found the fellow who had leaked the information. It had to do with the President's tax return.

Mr. LENZNER. Did you discuss this matter again with Mr. Simon after that initial contact?

General HAIG. I do not recall ever discussing it again.

Senator WEICKER. Did this have to do with the story in the Providence Journal relative to the President's taxes?

General HAIG. Yes, sir, that is right.

Mr. LENZNER. Now did the President indicate to you at any time he was not aware of the contribution at the time it was made—the Hughes contribution at the time it was made?

General HAIG. Yes; I have that very distinct impression that he was not aware of it—he was not told about it. Now I must say I am not confident in my own mind whether he told me that personally, whether Rebozo did or whether our counsel did or Mr. Gemmill did. But I have had that impression since very early in this exercise.

Mr. LENZNER. But you cannot say for sure today that the President ever said to you specifically, General Haig, "I do not know; I did not know of the contribution at the time it was given."?

General HAIG. I think he told me. I just don't want to be so finite about it that it is categoric; that he expressed to me his relief that Rebozo had never told him about this and that he used what the President considered to be good judgment that he did not.

Mr. LENZNER. Did the President indicate that, when he discussed with you the fact that Mr. Rebozo had received other campaign contributions, Mr. Rebozo had kept him informed with regard to those matters?

General HAIG. Precisely the opposite. The President, as I stated earlier, always conveyed to me his longstanding practice that he would never either handle campaign contributions or deal with them. I know that is a pretty naive statement in its broadest sense but he has said that to me on a number of occasions, not with respect to this issue but with the issue in general and with respect to this issue I think he has told me, I believe he has—if he hasn't someone has—that the President was not aware that Mr. Rebozo received this money when he received it.

Mr. LENZNER. Did the President ever advise you as to whether Miss Rose Mary Woods advised him Mr. Rebozo received the fund?

General HAIG. No.

Mr. LENZNER. Did you ever discuss that with the President?

General HAIG. No; and I do not know whether Miss Woods knew about it or not; I never asked her. I know she conveyed to me in a very passing meeting conversation in the hall that she did not know anything about the Rebozo money or any piece of it, or having received a piece of it, which was more recently the subject of investigation.

Mr. LENZNER. But she did not indicate at that time or at any time she had not been told by Mr. Rebozo or had been told by Mr. Rebozo he had received these funds?

General HAIG. No.

Mr. LENZNER. Did Mr. Rebozo ever indicate to you when he did receive the funds?

General HAIG. No; but I recall that it is reported to have come in two increments. I don't know whether he told me that or I read it in the newspapers, and all this sort of merges into a blur. I'm sorry, but that is a fact.

Mr. LENZNER. Did the President indicate to you whether he had ever instructed Mr. Rebozo that he should or should not accept contributions on his behalf?

General HAIG. No; I have never discussed that.

Mr. LENZNER. Have you discussed with the President or Mr. Rebozo or any other individual whether funds were obtained to replace any part of the money that was, in fact, received by Mr. Rebozo from Howard Hughes?

General HAIG. No; I have seen some newspaper speculation about that but never discussed it.

Mr. LENZNER. Have you had any contact, communication, or do you know of any contact or communication with the Federal Reserve Board to determine whether the bills that Mr. Rebozo returned to the Hughes Tool Co. were the same?

General HAIG. Have I had any—

Mr. LENZNER. Yes.

General HAIG. No.

Mr. LENZNER. Do you know anybody else who has had contact?

General HAIG. With the Federal Reserve Board?

Mr. LENZNER. With regard to the question whether the bills that were returned were dated prior to or after the times that Mr. Rebozo said he received them?

General HAIG. No. I know Mr. Gemmill told me that there had been, they were checking on the serial numbers and date of issue, and I assume that is the Federal Reserve, I don't know who does it, but he told me that.

Mr. LENZNER. Did he advise you of the results of those checks?

General HAIG. No; he told me that he did not think there was anything wrong and he assumed that there is nothing wrong. I don't know that to be a fact.

Mr. LENZNER. Is that investigation an IRS investigation—you received your information from Mr. Gemmill, I take it?

General HAIG. What I received from Mr. Gemmill are periodics added on to meetings that we have had on other matters where he would just tell me that the IRS investigation was still going on or they had concluded it but would not announce the results of it because Mr. Cox, last fall, was involved in looking into it.

I think that is about the limit of what I have gotten from him plus the fact he told me that one weekend they were going up to take the money and return the money. I don't recall any other specific thing, other than the fact that there were some reports in the paper about serial numbers of the money, and I think the last time or the time before I saw Mr. Gemmill I said, "What is this problem?" and he said, "Well, I think it has something to do with the date of issue, and I am not aware of any irregularities." I don't know how he would be.

Mr. LENZNER. When you received information from Mr. Gemmill of that nature relating to the IRS investigation, did you pass that on or transmit it in any form to the President?

General HAIG. No. I may have. I don't think I did. I may have told him that Mr. Gemmill thought the investigation was about concluded on Mr. Rebozo when he told me that and that they were through. I probably did pass that on to the President. I think I would have.

Mr. LENZNER. Did the President have any response to that, to your recollection?

General HAIG. Not that I would take note of.

Mr. LENZNER. Did you furnish anything in writing to the President with regard to the Hughes-Rebozo matter?

General HAIG. No, sir.

Mr. LENZNER. Approximately how many times do you think you can recall talking to the President with regard to this matter?

General HAIG. I would say there were several brief discussions when it first came to my attention, to my knowledge. Then there was a prolonged period when it never came up at all. Then I may have discussed it once or twice when the investigation was nearing a conclusion. I am sure that I would have heard anytime there was a flash in a newsstory which would have been derogatory, the President may have commented on it or said something about it.

He certainly expressed himself very clearly on these most recent allegations about his family and his secretary, but that is usually in the context of an expression of letting off steam, in that character.

Mr. LENZNER. Did you discuss with the President the question of whether public hearings would be held by the Senate Select Committee on the question of the Hughes-Rebozo matter?

General HAIG. No; I know he told me a week or so ago Mr. Rebozo had been up here and testified. He may have told it last time he was up here and testified. But, no, this is something we both knew, we read it in the newspapers.

Mr. LENZNER. When the President discussed with you Mr. Rebozo's appearance here, did he indicate in any way any of the areas that were involved in the questioning?

General HAIG. No.

Mr. LENZNER. The answer is "No."

General HAIG. You mean did he characterize it in general?

Mr. LENZNER. Did he describe it in specifics?

General HAIG. No; I did not discuss that with him in detail.

Mr. LENZNER. He didn't say anything about it?

General HAIG. No. I think he got the general impression that—I think he told me he spent a whole day.

Mr. LENZNER. Did you ever discuss with the President his meetings in 1968 with Mr. Danner and Mr. Rebozo where Mr. Danner has testified that a discussion was held with President Nixon there concerning the Hughes contribution?

General HAIG. No.

Mr. LENZNER. Was anybody else present at any time when you discussed any of these matters with President Nixon besides you and the President?

General HAIG. Well, there have been, as I say, some discussions in Key Biscayne which have been of a general character and usually critical in character about the persecution of Bebe Rebozo.

Mr. LENZNER. Mr. Rebozo has been present?

General HAIG. Yes, sir; where I may have been there and may have been just leaving and Rebozo came in and the President might make some remark and there have been very brief discussions of it.

Mr. LENZNER. Was there any discussion during those times as to how Mr. Rebozo or the White House should respond or react to particular problems?

General HAIG. You mean in the sense of an official strategy discussion?

Mr. LENZNER. No; in the sense of just a response by either Mr. Rebozo or—

General HAIG. No, not in an operative sense.

Mr. LENZNER. Any sense?

General HAIG. Where courses of action were discussed and it was incumbent upon me to execute them?

Mr. LENZNER. Whether Mr. Rebozo should respond in a particular way or the press office?

General HAIG. I recall Mr. Rebozo stating he was suing the Washington Post for matters related to this issue and I think he is conducting such a suit.

Mr. DASH. He is suing us also now.

General HAIG. I hadn't heard that one, I am sorry. He thinks he is going to win the Washington Post suit, I have heard him say that, and his lawyers have so told him.

Senator WEICKER. Off the record.

[Discussion off the record.]

Mr. LENZNER. Do you know of any effort made by any employees of the White House to obtain information with regard to the Hughes acquisition of the Dunes Hotel?

General HAIG. No. The Dunes Hotel?

Mr. LENZNER. In Las Vegas, Nev.

General HAIG. No.

Mr. LENZNER. Have you had any discussions with Mr. Abplanalp or Mr. William Griffin, his counsel, with regard to this matter?

General HAIG. No; none at all. I do not even know Mr. Griffin. I have met Mr. Abplanalp maybe twice.

Mr. LENZNER. You have not discussed this matter with Mr. Abplanalp?

General HAIG. No.

Mr. LENZNER. Have you discussed it with Mr. Blech, the President's accountant?

General HAIG. No, I do not talk to Mr. Blech.

Mr. LENZNER. Have you discussed it with Mr. Stan Ebner?

General HAIG. I don't know Mr. Ebner.

Mr. ARMSTRONG. General Haig, are you aware of any other campaign contributions, other than Hughes' contribution, which Mr. Rebozo or anyone else turned over to the campaign committee that has been withheld?

General HAIG. Have I heard about any?

Mr. ARMSTRONG. Yes.

General HAIG. No. Having said that, I don't know what precisely I may have heard at one time or another, but I do not recall any at all.

Mr. ARMSTRONG. Other than the concern which the President expressed regarding the conversations Mr. Kalmbach allegedly had

with Mr. Rebozo on April 30, other than the President's general concern of the specifics of those allegations, have you discussed with the President whether or not there was such a meeting with Mr. Rebozo and Mr. Kalmbach on April 30?

General HAIG. No, I have not.

Mr. ARMSTRONG. And did the President ever indicate he instructed Mr. Rebozo, or has anyone else indicated the President instructed Mr. Rebozo to talk with Mr. Kalmbach regarding the Hughes contribution?

General HAIG. No, not that I am aware of.

Mr. ARMSTRONG. Did you ever discuss the April 30 meeting specifically with the President, aside from the allegations?

General HAIG. I'm sorry, what is April 30?

Mr. ARMSTRONG. That is the meeting which allegedly took place between Mr. Rebozo and Mr. Kalmbach in the White House.

General HAIG. No.

Mr. ARMSTRONG. Were you aware of a meeting in January 1974, I believe it was January 8, 1974, between Mr. Rebozo and Mr. Kalmbach in San Clemente?

General HAIG. No.

Mr. ARMSTRONG. Have you had any discussion with Mr. Rebozo regarding his meetings with Mr. Kalmbach?

General HAIG. No.

Mr. ARMSTRONG. Other than the instance when the President asked you to relay the name of Mr. Gemmill to Mr. Rebozo, has the President ever given you any other instructions to contact or discuss with anyone else any related Hughes contribution to Mr. Rebozo?

General HAIG. No, I do not think so. I do not recall any.

Mr. ARMSTRONG. You mentioned in discussion your conversation with Attorney General Richardson on October 18, that it was in the ongoing context concerning the jurisdiction of the Special Prosecutor's Office, how those might affect other governmental activities and responsibilities. Can you tell us what the other matters of jurisdiction were you discussed with Attorney General Richardson in the question of jurisdiction of that office?

Mr. BUZHARDT. Mr. Chairman, I believe that goes beyond the President's waiver of executive privilege to get into other matters.

General HAIG. I can answer it in general and give you a feel for it without being specific.

As I said, we were working that week on a matter of what we considered to be of great importance and that is the subject of it—our communication on the 18th that you are referring to. Now there were a number of other areas of activity which were peripheral and in the judgment of our counsel borderline or beyond borderline, and I think there was just a broad reference to that in the discussion that is in terms of Mr. Cox's charter—the things that he was charged with doing by the Senate and the terms of reference worked out by Mr. Richardson. Now that wasn't new. That had gone on for a period of some weeks and Mr. Buzhardt here was the primary point of contact with Mr. Richardson on it.

Mr. ARMSTRONG. Let me address those which might be related. Did you discuss with Attorney General Richardson whether or not the

Special Prosecutor's Office was conducting an investigation regarding the purchase of San Clemente—any use of campaign funds for the purchase of San Clemente?

Mr. BUZHARDT. Again, this gets back into General Haig's general conversations, discussions with the Attorney General, as chief of staff for the President, as to which he has no waiver of executive privilege of this. I think he earlier testified he generally discussed with the President the subjects of his discussions with Attorney General Richardson, particularly in this period, the week in October, whatever it was, and I think that to answer these questions on specifics of his discussion, other than the Hughes-Rebozo matter, goes beyond the President's waiver of executive privilege. These matters have not been taken up with the President and we get into matters that are confidential within the Presidential conversations.

Senator WEICKER. Let me comment. I won't have to make any ruling on these matters if we can avoid them. If I am not mistaken, this area which is being touched upon at times by Terry and Scott—isn't this presently before the Senate Judiciary Committee?

Mr. DASH. I think it is.

Senator WEICKER. I do not want to get far afield.

Mr. ARMSTRONG. Can I express our interest in it? We received testimony from several individuals that a prominent publisher, Mr. Herman Greenspun—"Hank" Greenspun, of the Las Vegas Sun—had discussed with representatives of the administration the question as to whether or not political contributions were used in the acquisition of furnishings in San Clemente and whether or not that might be the Hughes contribution. Also, in the context of those conversations, the representatives of the administration sent Mr. Kalmbach to discuss with Mr. Greenspun whether or not Mr. Donald Nixon, in this case—the next question I was going to raise—

Senator WEICKER. If these are the questions you want to direct toward General Haig, I have no objection. I just don't want to get into the business with Elliot Richardson and Archibald Cox. I would rule in your favor but right now we are off on conversations between General Haig and the President relative to the Cox-Richardson situation.

General HAIG. I can dispose of that matter. I have never discussed any of that with Elliot Richardson or anybody else. I am not familiar with the matters you discussed.

Mr. ARMSTRONG. You never discussed the acquisition of San Clemente?

General HAIG. No, sir.

Mr. ARMSTRONG. Have you discussed with Attorney General Richardson the subject of whether or not the Special Prosecutor's Office was inquiring into Secret Service wiretaps?

Mr. BUZHARDT. If you please, that has been the claim of a specific subject of a specific claim of executive privilege by the President on repeated occasions—anything to do with the Secret Service wiretaps, and the President has asserted that.

Senator WEICKER. Yes.

Mr. BUZHARDT. I do not believe General Haig understood the President's instructions. He can, without violating those instructions, go into that.

Senator WEICKER. I agree.

Mr. ARMSTRONG. Did you discuss with Attorney General Richardson whether or not the Special Prosecutor's Office was conducting an investigation of Mr. Abplanalp?

General HAIG. As I recounted at the outset, I did not discuss it with him; he raised it with me in that same discussion that we are referring to. He told me that Mr. Cox had investigated into and disposed of that matter. As I recall, I think he said that there was nothing wrong with that matter. I didn't even know the matter; I never heard of it.

Mr. ARMSTRONG. Did you express any concern whether or not that was within the jurisdiction of the Special Prosecutor's Office?

General HAIG. I had not. He raised it with me in the conversation, as I recall, because I remember after hanging up that I had never heard of it. That does not mean that someone else, counsel, had not raised it—I do not know; but as I recall in the discussion, Mr. Richardson said, for example, of the Abplanalp case in New York, that Cox has been through and is through with, or something to that effect.

Mr. ARMSTRONG. Now, subsequent to your conversation with Attorney General Richardson on October 18, and that portion of the discussion which related to whether or not the investigation of Mr. Rebozo was within the jurisdiction of the Special Prosecutor's Office, did you discuss your conversation with the Attorney General, with the President, Mr. Rebozo, or Mr. Gemmill?

General HAIG. Certainly not Mr. Rebozo or Mr. Gemmill, and I do not think with the President, and really it wasn't in the context of being beyond the jurisdiction, it was in the context of not getting a response from Mr. Cox that we needed, and in the context of this being an example of some kinds of the delays that are imposed on doing away with Watergate-related matters and getting them off the national scene.

There was no effort on my part, for example, to tell Elliot Richardson in the context of the Rebozo thing that he was not to investigate this matter. I was complaining that the IRS had completed their investigation, had given a clean bill of health and now it was being held up—resolution of the matter was being held up because it was under investigation by Cox, or they perceived that it was.

Mr. ARMSTRONG. Now, in the recently released transcripts submitted to the House Judiciary Committee, the transcript for April 14, 1973, contains some references to a conversation which the President, Mr. Haldeman, and Mr. Ehrlichman had relating to the actual or attempted break-in to the premises of Hank Greenspun, publisher of the Las Vegas Sun, Las Vegas, Nev. Other than what is contained in the transcript, do you have any other information or—

General HAIG. I am not sure I focus what is in the transcript.

Mr. ARMSTRONG. You certainly have no other information?

General HAIG. No; I know nothing about that.

Mr. ARMSTRONG. One point we covered before and I just wanted to make sure our record is clear on it. I was not sure I understood your answer previously when you spoke with Under Secretary Simon in late May 1973, regarding the investigation of Mr. Rebozo by the IRS; was there any discussion of an investigation or need to interview Mr. Donald Nixon?

General HAIG. I do not recall that at all and I am confident it would have registered had it—

Mr. ARMSTRONG. Do you recall when you first became aware of any IRS interest in Mr. Donald Nixon?

General HAIG. No, I do not recall.

Mr. ARMSTRONG. Was it prior to published reports or press accounts?

General HAIG. No, I don't think so. I don't think it would be. It doesn't even register.

Mr. ARMSTRONG. Are you aware of any discussions or any actual discussion or actual investigations or electronic or physical surveillance by a member of this committee or its staff? I include investigation.

General HAIG. Of this committee?

Mr. ARMSTRONG. A member of the committee or of its staff.

General HAIG. When?

Mr. ARMSTRONG. I don't know.

General HAIG. That goes beyond the instructions but the answer is categorically I am not aware of any such thing at all.

Mr. ARMSTRONG. That is all I have.

Mr. SCHULTZ. You mentioned that when you gave Mr. Rebozo Mr. Gemmill's name that it was your recollection he indicated to you that it was an ongoing situation, and then I believe a little later you said he did not have an attorney. Was this your feeling that he did not have an attorney, or did he specifically tell you that he did not have an attorney?

General HAIG. It was my feeling he did have an attorney, but he did not have a tax specialist.

Mr. SCHULTZ. Did he specifically tell you that at that time?

General HAIG. I think he expressed an interest in contacting Mr. Gemmill, yes, at that time.

Mr. SCHULTZ. Thank you.

Mr. DASH. General, has anyone ever told you the President himself may have a legal problem with regard to the Hughes contribution or the Rebozo matter?

General HAIG. Never. You mean in the context—

Mr. DASH. Whether he has a legal problem involving a relationship—any kind of legal problem Rebozo may have or any legal problem he may have with regard to the Hughes contribution—the President himself?

General HAIG. No; I have never been.

Mr. DASH. The only question is, "Has anybody told you?"—not that you know he has. Has anyone brought that to your attention?

General HAIG. No.

Mr. HAMILTON. General Haig, I want to change the subject. Do you know Frederick Malek?

General HAIG. Yes.

Mr. HAMILTON. Did you know that in 1971, the latter part of 1971, and in 1972, he was involved in putting together an administration program to use the resources of the Federal Government to reelect the President?

General HAIG. I don't really know how to answer that question. Did I know it at that time?

Mr. HAMILTON. Did you know he was putting it together at that time?

General HAIG. I have read about the thing subsequently. At that time, no; I was not aware of any such thing.

Mr. HAMILTON. Contemporaneously?

General HAIG. No.

Mr. HAMILTON. Had you heard the term "Responsiveness Program?"

General HAIG. I have heard about it since I have returned to the White House here. I had no knowledge of such a program when I was working in the National Security Council.

Mr. HAMILTON. Well, now, in late 1971 or early 1972, did Mr. Malek contact you regarding a matter in the 1973 Defense budget?

General HAIG. I do not recall it. That does not mean it did not happen.

Mr. HAMILTON. Let me be more specific. Did he contact you about the inclusion of a budgeted amount for the F-111 airplane for the Air Force?

General HAIG. F-111?

Mr. HAMILTON. Yes.

General HAIG. No. And if he had, I do not know why he would. I had nothing to do with the Defense Department procurement.

Mr. HAMILTON. I realize that. But we have received at least a hearsay allegation that in 1971 or 1972 he did contact you about replacing the budgeted amount for the F-111 into the Defense budget for the Air Force—it had been taken out.

General HAIG. It would be inconceivable that he would do so. I do not recall it but I don't know why he would ever talk to me about it. I would throw him out of my office if he came in with something like that. In the first place, I had nothing to do with it.

Mr. HAMILTON. Did he contact you to ask you to intercede with anybody in the Defense Department?

General HAIG. In the Defense Department?

Mr. HAMILTON. Yes.

General HAIG. Inconceivable.

Mr. HAMILTON. Did he contact—

General HAIG. For the F-111.

Mr. HAMILTON. Well, did he contact you in regard to another airplane designated A-7, which I understand is version D which is an Air Force airplane, A-7D?

General HAIG. It does not ring a bell with me and again I can only state that I had no responsibilities at that time with Air Force

procurement or with White House relationships with the Defense Department in that area. Our considerations in the White House and NSC were solely limited to the broadest context of the Defense budget in terms of overall national capabilities in implementing our diplomacy.

Mr. HAMILTON. Do you recall any discussions at that time with Mr. Malek or anybody else about funding these two projects or either of these projects so that Defense money would flow into the State of Texas?

General HAIG. No, no.

Mr. DASH. I am glad you permitted those questions because it gives General Haig a chance to clear the record on it.

Senator WEICKER. I am all through. Is there anything further on that matter?

Mr. HAMILTON. That is enough.

Senator WEICKER. Let me state for the record that certainly General Haig has responded to all questions put to him. Are there any other questions anybody wants to put? I want to make sure everyone has their opportunity so that when I go out there I am going to respond quite frankly to the press that all questions put to General Haig were responded to. I want to make certain that—

Mr. DASH. I would also like the record to show that what General Haig raised earlier, I thoroughly agree with—not only his interpretation of the rules, but when he comes into executive session, the only one who should say anything afterward is the presiding Senator. A general statement as to General Haig's appearance here should be the only statement, and that certainly there be no reference by any member in this room to any of the questions put forth.

I think the answers have been forthcoming. We have had complete answers to the questions, but none of the questions or none of the characterizations or anything of the questions should get out of this room because this is an executive session and under the rules nothing in it should be released without a majority vote of the committee.

Senator WEICKER. Everyone is so directed and, insofar as comment is concerned, obviously, General, you and counsel are free to make any comment you want.

It would be my intention to indicate that you have fully responded to every question put to you by the committee and this is about the essence of it. Any statement?

General HAIG. I would like to say this, if I may, that we had received, subsequent to our earlier appearance here, specific definitive areas that the committee was interested in and that based on that, and it involved the Rebozo matter, that the President waived the executive privilege and we answered accordingly.

Senator WEICKER. All right.

Mr. DASH. I think, General Haig, you are at liberty to say anything you want; you are not bound by our rules.

Senator WEICKER. I think he should be able to say that.

[Whereupon, at 4:55 p.m., the committee adjourned, subject to call of the Chair.]

HAIG EXHIBIT No. 1

Resolved by the Committee as follows:

1. The Committee totally rejects the implication in the President's letter of May 1, 1974 and the advice of his counsel to General Haig that questions of this Committee concerning political contributions, conversations about political contributions, alleged criminal activities and conversations relating to alleged criminal activities need not be answered under the doctrine of executive privilege or that the President has any authority under the Constitution or the laws of the United States to order any White House employee to refuse to answer such questions posed by the Select Committee or its staff.
2. The Committee hereby finds that the questions posed General Haig by Senator Weicker and the Committee's counsel on May 2, 1974 were proper questions that sought to elicit information relating to matters the Committee is authorized to investigate.
3. That the Committee again subpoena General Haig to appear before it and inform him that the Committee requires him to appear before the Committee at a time specified and to testify fully concerning any knowledge he has concerning political activities that the Committee is authorized to investigate.

HAIG EXHIBIT No. 2

AUTHORITY TO INVESTIGATE

The general authority of the Select Committee to conduct the Hughes-Rebozo investigation is set forth in Section 1(a) of S. Res. 60 (93d Cong., 1st Sess.). More specific authority to investigate campaign contributions of this type is contained in Section 2 of S. Res. 60, subsections 11 through 15. Those subsections authorize thorough investigations of any transactions, in the words of subsection 11, involving "moneys . . . collected or received for actual or pretended use in the presidential election of 1972" No clearer generic description of the purpose of the Hughes-Rebozo investigation could be found than in the authorizing language of these subsections, which should now be entered in full on the record.

THE LEGISLATIVE PURPOSE

The legislative purpose of the Senate Select Committee is clearly spelled out in section 1(a) of the resolution authorizing the investigation (S. Res. 60, 93rd Congress, 1st Sess.):

" . . . to conduct an investigation and study of the extent, if any, to which illegal, improper, or unethical activities were engaged in by any persons . . . in the presidential election of 1972 . . . and to determine whether in its judgment any occurrences which may be revealed by the investigation and study indicate the necessity or desirability of the enactment of new congressional legislation to safeguard the electoral process by which the President of the United States is chosen."

Pursuant to its mandate under S. Res. 60, the Select Committee has been investigating the circumstances surrounding the alleged transfer of \$100,000 in one hundred dollar bills from Howard R. Hughes to Charles G. Rebozo in 1969 or 1970 for use in the 1972 Presidential campaign. The facts surrounding this contribution are of critical importance to the Committee's legislative task for a variety of reasons.

First, these facts go to the very question of the advisability of permitting large cash contributions to political campaigns. The circumstances of this \$100,000 cash contribution will go a long way toward documenting any dangers or potential dangers inherent in allowing such

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large cash contributions. Any possible legislation in this area must be constructed upon a solid factual record which the Committee is attempting to build. These specific matters all fall within the scope of paragraphs (11), (12), (13) and (16), Section 2, of S. Res. 60.

Secondly, the facts of this specific inquiry will help to answer legislative questions in the areas of possible reporting requirements for contributions as well as which individuals or committees should be allowed to receive cash or other political contributions. To answer these kinds of questions effectively, the Committee needs for example, a full and complete factual record on the potential dangers of not reporting contributions, which was in fact the case with the \$100,000. In addition, the factual record must be clear concerning the motives, propensities, and actual conduct of individuals collecting large cash contributions in order to legislate appropriately in this area. These matters are also covered by paragraphs (11), (12), (13) and (16), Section 2, of S. Res. 60.

Third, the facts of the \$100,000 contribution may have some relationship to the events described in paragraphs (1), (2), and (3), Section 2, of S. Res. 60. Certainly any corrective legislation to be recommended by the Select Committee must perforce rely heavily upon a full and complete factual record of those events.

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Finally, the story of the \$100,000 contribution potentially reveals much information about normal means by which government business is transacted. The Committee might wish to recommend legislation in this area pursuant to paragraph (16), Section 2, S. Res. 60. Therefore, a full and complete factual record noting these behavioral patterns and practices is necessary so that informed decisions in this area can be made.

HAIG EXHIBIT No. 3

QUESTIONS ALEXANDER HAIG REFUSED TO ANSWER IN EXECUTIVE SESSION
MAY 2, 1974.

Question 1 (page 5)

Mr. Lenzner. For the record, General Haig, could you describe the duties that the letter described as the -- that you functioned in as the President's Chief of Staff?

Mr. St. Clair. Mr. Lenzner, I am instructing the witness to answer no further questions in the light of this instruction.

Question 2 (page 6)

Mr. Lenzner. Have you had occasion to speak with individuals who are not employed by the United States government?

Mr. St. Clair. The witness will not testify.

Question 3 (page 7)

Mr. Lenzner. Now, can you tell us as part of your duties as Chief of Staff, have you had occasion to discuss what appeared to you to be criminal activities of other individuals?

Mr. St. Clair. I will direct the witness not to answer.
You know, Senator, is there some mechanism whereby we can accommodate you? I know you are busy and so is the General.
The witness will not under this order answer any questions that have any bearing whatsoever.

Question 4 (page 8)

Mr. Lenzner. General Haig, what are your duties as Chief of Staff since May of 1973?

Mr. St. Clair. I instruct the witness not to answer the question.

Question 5 (page 9)

Mr. Lenzner. Have you on occasion, as part of your duties as Chief of Staff at the White House, discussed with other individuals criminal activities involving individuals?

Mr. St. Clair. The witness is instructed not to answer.

- 2 -

Question 6 (page 9)

Mr. Lenzner. Did you on or about October 18 of 1973 telephonically contact Attorney General Richardson and speak to him with regard to an on-going criminal investigation by the Internal Revenue Service of \$100,000 that Charles G. Rebozo had received from the Hughes Tool Company?

Mr. St. Clair. The witness is instructed not to respond.

Question 7 (page 10)

Mr. Lenzner. One last question. As Chief of Staff since May of 1973, General Haig, have you had occasion to discuss the \$100,000 in cash that was furnished Mr. Charles G. Rebozo by the Hughes Tool Company with Mr. William Frates, Mr. James O'Connor, Mr. Robert Abernath, Mr. John Ehrlichman, Mr. H. R. Haldeman, Mr. Herber Kalmbach, Mr. Frank DeMarco, Mr. Richard Danner, Mr. William Griffin, Mr. Kenneth Gemmill, Miss Rose Mary Woods, Mr. F. Donald Nixon, Mr. Edward Nixon, Mr. John Wilson, Mr. Frank Strickler, Mr. Charles Colson, Mr. David Shapiro, or Mr. Charles G. Rebozo himself?

Mr. St. Clair. The witness is instructed not to answer.

PERTINENCY

Pertinency of Questions 1 and 4:

Questions 1 and 4, which ask General Haig to describe his duties as Chief of Staff, seek to establish the witness's background to enable the Committee to ascertain what his responsibilities were and the information to which he may have had access. They attempt to lay a foundation for further questions dealing with the witness's responsibilities and knowledge of relevant information and events. Such questions are basic to any interrogation and are as pertinent as a request that the witness identify himself. The questions also sought to elicit the witness's duties to determine the confines of the President's restrictions which prohibited responses to questions related to his duties as Chief of Staff.

Pertinency of Question 2:

Question 2, which asks whether General Haig has had conversations with individuals not employed by the United States Government, similarly seeks to establish a background for further questioning. Many people involved in the Hughes-Rebozo transaction are private citizens without any governmental interest. By establishing that the witness had communications with non-governmental people,

a subsequent question asking him to identify these non-governmental persons who may have discussed pertinent matters would be asked. Obviously, private citizens such as Rebozo himself may have conferred with the witness on matters clearly outside the scope of his duties as Chief of Staff. Indeed, as Special Counsel Buzhardt has indicated, neither he nor any White House employees to his knowledge had duties related to the receipt of \$100,000 by Mr. C. G. Rebozo. In addition, such discussions may have included information related to violations of the law pertaining to misuse of campaign funds, bribery, obstruction of justice and others.

Pertinency of Questions 3 and 5:

Questions 3 and 5, which ask General Haig whether, as Chief of Staff, he has had occasion to discuss criminal activities of other individuals are pertinent in that evidence has been received which, if true, shows that part or all of the \$100,000 contribution from Howard Hughes was misappropriated and used by Mr. Rebozo in a manner which resulted in violations of laws.

Possible violations of laws relate directly to the Senate Select Committee's mandate as articulated in S. Res. 60 and include the issues of misuse of campaign funds, the reporting and receipt of cash campaign contributions, the use of such funds to affect government decisions.

(bribery), perjury and subornation, efforts to obstruct investigations into these possible violations, conspiracy, the diversion of campaign funds to individuals for non-campaign purposes or for the personal benefit of such individuals, IRS violations, and others. This area of inquiry focuses on the problems that arise when an investigation is attempted on individuals such as Mr. Rebozo who are close friends of the President. It is imperative to determine whether executive agencies can adequately investigate such a situation.

Pertinency of Questions 6 and 7:

Since last October, the Select Committee, pursuant to S. Res. 60 (93d Congress, 1st Session), especially sub-sections 11 through 15 of Section 2, has been investigating a \$100,000 cash contribution given to Charles G. Rebozo by a representative or representatives of Howard Hughes. According to testimony before this Committee and before the Senate Judiciary Committee, General Haig has some knowledge about that transaction and the investigation of it by the IRS and the Special Prosecutor's office. In fact, ⁶ question/was premised on former Attorney General Richardson's testimony to the Judiciary Committee and information furnished this Committee that the witness called Richardson on October 18, 1973, to advise him of concern that Special Prosecutor Cox was investigating Rebozo after the IRS had conducted its own investigation. (See Richardson testimony, 11/6/73 Special Prosecutor Hearings, Part 1, p. 275; 11/8/73, Part 2, p. 386.) It is the purpose of the questioning to determine what knowledge he does have, how he obtained it, and to whom and when he may have conveyed such knowledge. It is also pertinent to determine who directed the witness to call Mr. Richardson and whether the purpose was to obstruct an investigation of the matter by the Special Prosecutor's Office. The question also relates to other possible criminal behavior as listed in the above sections and as incorporated by reference herein.

As to Question 7, in which Haig was asked about a list of persons with whom he might have discussed the \$100,000, every person on that list has been identified as having the transaction. pertinent information relating to Rebozo's own testimony in executive session (March 21, 1974, p. 395-98) indicates that Rebozo talked with General Haig about the \$100,000 sometime after April 30, 1973. Rebozo's conversation with this witness may be crucial in examining certain events that followed it. Rebozo, during the Spring of 1973, discussed with several people his receipt of \$100,000, and what he and the President's new chief aide discussed could shed light on the total story. In addition, the Committee has received evidence that this witness was directly involved in securing legal assistance for Mr. Rebozo, which indicates additional information General Haig may be able to furnish.

April 29, 1974

I made service of the within subpoena
by hand

the within-named Mr. M. C. Chis
Executive Office Building, at
17th and Penn.

at 5:05 o'clock P m., on
the 29th day
of April, 1974

Signed John P. Doherty

UNITED STATES OF AMERICA

Congress of the United States

To ALEXANDER HAIG

, Greeting:

Pursuant to lawful authority, YOU ARE HEREBY COMMANDED to appear before the SENATE SELECT COMMITTEE ON PRESIDENTIAL CAMPAIGN ACTIVITIES of the Senate of the United States, on May 2, 1977 at 18:00 o'clock A. m., at their committee room G-308, New Senate Office Building, Washington, D.C. then and there to testify what you may know relative to the subject matters under consideration by said committee.

Hereof fail not, as you will answer your default under the pains and penalties in such cases made and provided.

To John P. DeLoach
to serve and return.

Given under my hand, by order of the committee, this

10th day of April, in the year of our

Lord one thousand nine hundred and seventy-four

Sam J. Erwin Jr.

Chairman, Senate Select Committee on Presidential Campaign Activities.

RSA

HAIG EXHIBIT No. 4

May 14, 1974

I made service of the within subpoena
by Hand

the within-named Mr. St. Clair

at _____, at
Mr. S. EOB 180 1/2

at 1.45 o'clock 1st m., on

the 14th day

of May, 1974

Signed Richard W. Simmons

UNITED STATES OF AMERICA

Congress of the United States

To General Alexander Haig

, Greeting:

Pursuant to lawful authority, YOU ARE HEREBY COMMANDED to appear before the SENATE SELECT COMMITTEE ON PRESIDENTIAL CAMPAIGN ACTIVITIES of the Senate of the United States, on May 15, 1974, at 2:00 o'clock P. m., at their committee room 6308, New Senate Office Building, then and there to testify what you may know relative to the subject matters under consideration by said committee.

Heretof fail not, as you will answer your default under the pains and penalties in such cases made and provided.

To RICHARD W. SIMMONS

to serve and return.

Given under my hand, by order of the committee, this

13th day of May, in the year of ourLord one thousand nine hundred and seventy-fourSam J. Erwin Jr.

Chairman, Senate Select Committee on Presidential Campaign Activities.

FRIDAY, MAY 17, 1974

U.S. SENATE,
SELECT COMMITTEE ON
PRESIDENTIAL CAMPAIGN ACTIVITIES,
Washington, D.C.

The Select Committee met, pursuant to notice, at 10:25 a.m., in room G-334, Dirksen Senate Office Building.

Present: Senator Weicker.

Also present: Marc Lackritz, assistant majority counsel; Robert Silverstein, and Richard L. Schultz, assistant minority counsels; Scott Armstrong, investigator; and Emily Sheketoff, research assistant.

Senator WEICKER. Would you raise your right hand?

Do you swear the evidence you are about to give is the truth, the whole truth, and nothing but the truth, so help you God?

Mr. GARMENT. I do.

Mr. ARMSTRONG. Mr. Garment, could we have your full name and home address for the record, please?

TESTIMONY OF LEONARD GARMENT, ASSISTANT TO THE
PRESIDENT

Mr. GARMENT. Leonard Garment, 4601 Greenspring Road, Alexandria, Va.

Mr. ARMSTRONG. Your home phone number?

Mr. GARMENT. 354-3678.

Mr. ARMSTRONG. You are presently employed with the Executive Office of the President?

Mr. GARMENT. That is correct.

Mr. ARMSTRONG. And have been employed there since January 1969?

Mr. GARMENT. June 1969.

Mr. ARMSTRONG. Could you tell us what positions you have had and for what periods of time from June 1969?

Mr. GARMENT. From June 1969 until January 4, I was special consultant to the President. From April 30, 1973, until January 4, 1974, I was also acting counsel for the President. On January 4, I became an assistant to the President, and ceased being special consultant to the President, and acting counsel to the President.

Mr. ARMSTRONG. In the course of your duties in the Executive Office of the President, have you had any occasion to be concerned with the Hughes Tool Co. or Mr. Howard Hughes or any of their activities?

Mr. GARMENT. No, not in any direct way.

Mr. ARMSTRONG. Did there come a time when you made inquiry to the Department of Justice to Mr. J. T. Smith of the Attorney General's office regarding any matters connected with the Hughes Tool Co.?

Mr. GARMENT. I did.

Mr. ARMSTRONG. Could you describe the background and circumstances of that discussion?

Mr. GARMENT. My best recollection—and this is a recollection developed after you called me and asked me about that matter—was that on or around October 9, 1973, I called J. T. Smith at the Justice Department and asked him about two matters, the Air West merger and the Dunes transaction.

The reason, as I recall it, was that there was some publicity about that time on October 8 or 9, newspaper publicity about materials that had been developed in the course of one of the investigations. My best recollection was it was the Senate investigation suggesting that there were certain questions raised about the transaction.

I called J. T. Smith and asked him to give me any indication what, if anything, he knew about it. I also had Fred Fielding, who was in the White House counsel's office, check specifically the Air West merger and see if there was any indication of any irregularities there. He reported to me on that so far as he could determine, there were none of any sort, or any interventions. The record was a clear and clean record.

J. T. Smith called me back, I think, as I recall, generally confirming that there was no problem on the Air West. That is on the CAB clearance of that acquisition, and that on the Dunes matter he summarized for me, and I believe he read to me portions of an executive file having to do with that matter. My principal recollection—let me not go on and volunteer further. If there is anything you want to ask about it, go ahead.

I might say, essentially, that was the sum of what I did, and what I learned, I learned from Mr. Smith, and I do not recall passing that on to anyone. I may have discussed it with Fred Buzhardt. I generally discuss everything with him. There were some things, because there were so many items that were coming up either in the press or in telephone calls, or in one fashion or another at that time, that some were discussed and some were not. I am sure that I discussed it, probably discussed it briefly with Doug Parker who was working with me. That would be about the size of it.

Mr. ARMSTRONG. Was your initial call and concern prompted by discussions with anyone else, or instructions from any other party?

Mr. GARMENT. I do not recall that. I think this was more or less on my own initiative to find out what that was all about. It is not improbable that someone may have raised that and found out what that is all about; whether there is some file or some information that would indicate that there is a problem, that there is a specific relationship between that transaction. There is no point in me trying to reconstruct conversations I cannot recall.

But there might have been some preliminary discussion. I do not recall any. My best recollection is that these two cases were in the press, they were talked about in a fairly casual way. The determination was made that I should check that out. Whether I made it myself or whether I made it discussing it with Fred Buzhardt, Al Haig, I do not recall. I spoke to Fred about that not too long ago, and he did not even remember what the Dunes case was all about until I raised it with him.

Mr. ARMSTRONG. Can you recall when you spoke to Mr. Buzhardt about it recently?

Mr. GARMENT. Last week.

Mr. ARMSTRONG. Do you recall whether it was before or after—

Mr. GARMENT. Before.

Mr. ARMSTRONG. Before he appeared before us?

Mr. GARMENT. I think it was before he was here.

Mr. ARMSTRONG. You told him what you remembered? He had no recollection?

Mr. GARMENT. I said, "Do you remember me raising that with you?" He said, "As far as I can make out, this is the first that I have heard of the Dunes."

Mr. ARMSTRONG. Do you recall with whom Mr. Fielding—

Mr. GARMENT. This was shortly after you had called me about that matter.

Mr. ARMSTRONG. Which was at the same time we made arrangements for you to come down here.

Mr. GARMENT. That is right.

Mr. ARMSTRONG. Do you recall with whom Mr. Fielding checked regarding the Air West merger?

Mr. GARMENT. I think he may have checked with the CAB. He may have checked with Peter Flanigan's office. He may have checked with Jonathan Rhodes. I am giving you a lot of may-have checks. I am trying to indicate all the possibilities without ascribing to anyone—anyone as a specific source. It would be pretty much in that group. He may have checked with the Justice Department. That would be the group of sources that he would go to.

Mr. ARMSTRONG. You say that Mr. Fielding reported that he had been able to find no irregularities or interventions on any part?

Mr. GARMENT. That is right.

Mr. ARMSTRONG. I gather Mr. Smith reported the same thing?

Mr. GARMENT. On the Dunes?

Mr. ARMSTRONG. Air West.

Mr. GARMENT. No problem.

Mr. ARMSTRONG. Did you ask about any particular interventions or any particular individuals who intervened?

Mr. GARMENT. I do not recall that. Again, I am inferring from my customary way of doing business, I would have said, what is the story on this.

Mr. ARMSTRONG. Can you tell us in sum what Mr. Smith's report was regarding the Dunes matter?

Mr. GARMENT. The substance of it, as I recall, that sometime in 1970, on a couple of occasions or several occasions, there was a record of conversations and correspondence involving the then Attorney General John Mitchell and the Director of the FBI, Mr. Hoover, and other persons with respect to the matter of the acquisition of the Dunes by one of the Hughes companies.

I just do not know which it was. And that the background of it, the general background was, in a prior administration an acquisition or acquisitions had been prohibited as involving an excessive accumulation of rooms in Las Vegas, insofar as the antitrust laws are concerned. The discussion was raised and batted back and forth.

That is the impression that I carried away from that discussion, that nothing very conclusive was settled upon, that ultimately, as I recall, nothing happened. That is, the acquisition did not go forward. There had been representations made somewhere by one or more of Hughes' representatives that reflected a belief on their part that there would be no objection to the acquisition. But that may well have been based upon some misapprehension, which in turn was caused by an inquiry to the Gaming Commission or the Gambling Commission—whatever it is—in Las Vegas about the desirability or suitability of having this acquisition, in view of certain problems that existed there with persons and organizations involved in rackets and other criminal activities.

Mr. ARMSTRONG. Do I understand correctly that the executive bar Mr. Smith was referring to, made reference to representations made by Hughes representatives that there would be no objections to additional acquisitions?

Mr. GARMENT. There was some allusion to that or a state of belief. As I recall, the file indicated the belief was not well founded. But it may have developed as a result of certain inquiries that had been made on behalf of the Justice Department in Las Vegas, and from those inquiries certain persons may have drawn the conclusion that there would not be an objection. That is the closest I can come to it. It seems to me the best evidence of what is there would be in that file, and that J. T. Smith would be in a position to testify more knowledgeably what is there and what it was all about. I do not want to guess about what is there. There were some misapprehensions about what is definable and ascertainable facts.

Mr. LACKRITZ. What I wanted to clarify, was there any discussion that you had with Mr. Smith about conversations the former Attorney General may have had with representatives of the Hughes Tool Co.?

Mr. GARMENT. I do not think Smith had any independent information. What he gave to me was from a file. He was reading to me or summarizing for me information from a file, rather than saying, I know this or I know that on the basis of some independent investigation I, J. T. Smith, made.

Mr. LACKRITZ. Do you recall from his reading of the file that there were any meetings between representatives of the Hughes Tool Co. and former Attorney General Mitchell in regard to this matter?

Mr. GARMENT. My best recollection is that there were references to such meetings.

Mr. LACKRITZ. Do you recall how many of these meetings there were?

Mr. GARMENT. I do not.

Mr. LACKRITZ. Do you recall any of the substance of what those meetings involved? Were they specific requests from Hughes to the Attorney General for approval for this acquisition?

Mr. GARMENT. I would be guessing and I would be guessing on the basis of a total impression I had, that they were trying to get clearance for the acquisition. They were having discussions. The Attorney General was trying to find out what problems existed and whether it could be done, how it could be done, if it could be done, the kind of investigation that would take place bureaucratically as a matter of course

without necessarily forecasting what the end result of the total process would be. I just say that my general impression was that there were either meetings or discussions of some sort by representatives of Hughes or Hughes Tool Works or whatever the corporate entity may have been, that in general had to do with getting a clearance, that nothing beyond the procedures by which it might be accomplished were discussed, that nothing was settled upon in any definitive fashion, that there was a reference to an impression that may have been developed by one of the Hughes attorneys, Morgan—again, that is my recollection—Edward Morgan, about the fact or the possibility of a clearance, and that this may have been based on some misapprehension deriving from certain inquiries that had been made by or on behalf of the Antitrust Division.

Mr. LACKRITZ. Did you check out any of this information?

Mr. GARMENT. And that it did not go forward. So I am giving you—

Mr. LACKRITZ. As I understand your response, you are saying that based on what Mr. Smith told you that your information was that the Attorney General had not given his approval?

Mr. GARMENT. My general impression was that he had not. It had not reached that stage. My recollection may be faulty. As I said, the best evidence of what the file has to say is the file itself.

Mr. LACKRITZ. In the files you say there were memos to and from—

Mr. GARMENT. If I may add to that, again, my best recollection is that the matter was up in the air, that there were shadings of belief and impression on the part of the representatives, the Hughes representatives, that would lead me at this point to believe that a firm approval had not been given, nor had that matter proceeded to the point where a formal approval was solicited.

Mr. LACKRITZ. Was there any indication from Mr. Smith that the procedures that were followed in the case of the Dunes acquisition were the normal departmental procedures, or was there some irregularity?

Mr. GARMENT. I do not think it was a question of irregularity. Let me put it this way. I do not think anything that J. T. said was either literally or substantially to the effect that there were irregularities. I think that he said—I would not want to swear by the exact words—that it was an unusual file, but not in terms of irregularities, and certain of the procedures followed, the kind of letters that were written by the Director of the FBI and so forth, customary boiler-plate language that would be used with clearance, where a clearance had previously been denied.

Mr. ARMSTRONG. Unusual in what respects? What did you draw as his inference?

Mr. GARMENT. I do not know if I would want to get into the whole process of speculating on my speculations, and trying to recall them with that degree of precision. I think, once again, if there is material there that is available, it should be obtained, examined, and made part of the record.

Mr. LACKRITZ. You said that in the file you recall memos from Attorney General Mitchell to former Director Hoover of the FBI?

Mr. GARMENT. References to them.

Mr. LACKRITZ. What did those memos concern?

Mr. GARMENT. I think the question, generally the question of the legality, validity, appropriateness of a clearance of this particular acquisition.

Mr. LACKRITZ. Why would the Federal Bureau of Investigation be involved?

Mr. GARMENT. Because the Crime Commission was concerned with the problem of the control of the hotels by persons allegedly involved in rackets and the like. I recall also, there was some discussion of the economic consequences of acquisition.

Mr. LACKRITZ. Was there any mention by you or by Mr. Smith to you, or was there any mention in the file, that you recall, of Mr. Richard Danner?

Mr. GARMENT. I do not recall that, no. As a matter of fact, I have no recollection of that.

Mr. LACKRITZ. As I recall the publicity at that time concerning these matters—didn't this publicity result from disclosures about this alleged \$100,000 cash contribution taken by Mr. Danner to Mr. Rebozo?

Mr. GARMENT. It was alleged and some questions were raised about these being transactions that were somehow connected with that contribution, or allegedly. I do not recall there being any reference to Danner in J.T.'s summary to me of what was there. He may have. I do not recall.

Mr. LACKRITZ. Do you recall whether you asked him?

Mr. GARMENT. I do not recall.

Mr. SILVERSTEIN. May I ask a question? Roughly how long was that conversation?

Mr. GARMENT. We did not spend half the afternoon.

Mr. LACKRITZ. You indicated that the time of your conversation was in early October of 1973.

Mr. GARMENT. That is my best recollection.

Mr. LACKRITZ. Do you recall how you determined that date?

Mr. GARMENT. Two things: One, the news clippings at that time, and the fact that there is a telephone log reference to a call to J. T. Smith about that subject, about Air West. My secretary had a note saying I talked to him about Air West and some other subjects. She was not sure what it was about. I knew I talked to him about both these things.

Mr. LACKRITZ. The telephone log reference was on October 9?

Mr. GARMENT. About that time.

Mr. ARMSTRONG. Did you receive any written materials or reports or anything else from Mr. Smith?

Mr. GARMENT. No.

Mr. ARMSTRONG. Did you make any notes of that conversation?

Mr. GARMENT. I did make some notes.

Mr. ARMSTRONG. Is that something you could share with us?

Mr. GARMENT. Not at the moment; I do not have them here. They add very little to what I've already told you.

Mr. ARMSTRONG. Would it be possible for us—

Mr. GARMENT. Let me undertake to find out whether that's an appropriate thing to do. We are dealing with a file at the Department of Justice, and that is a matter presumably related to one of the investigations, and properly so. And if it is proper for you to have access to it, it seems to me that should be done through the usual process by

which documents of the Department of Justice are obtained. I am giving you my recollection of that phone conversation. I really do not think it would be appropriate to go much further than that.

Mr. LACKRITZ. Do you recall passing this specific information or passing on copies of your notes to anybody else in the White House other than Mr. Buzhardt?

Mr. GARMENT. I did not pass the notes to him. I did not pass the notes to anyone. I'm not even sure I discussed the matter with anyone. I may have discussed it with Doug Parker. It did not seem like a matter which at that time required urgent attention. We had other problems at that time.

Mr. LACKRITZ. I understand. Did you discuss this matter with the President?

Mr. GARMENT. No; I did not.

Mr. ARMSTRONG. Did you or Mr. Smith or Mr. Fielding raise Donald Nixon's name in this respect?

Mr. GARMENT. I did not, nor did Mr. Fielding, nor did Mr. Smith. As to all of this, I should say that is my best recollection. My best recollection is that I did not, not that I do not have recollection.

Mr. ARMSTRONG. I appreciate you checking on that for us. Mr. Garment, can you tell us when you first learned of the Hughes contribution which Mr. Rebozo received and the context of that?

Mr. GARMENT. I believe the first that I heard of this was in the course of a telephone call from then-Under Secretary of the Treasury William Simon. That was at the end of May or early June.

Mr. LACKRITZ. 1973?

Mr. GARMENT. 1973. In the course of which Mr. Simon said that there was information or that Mr. Rebozo was under investigation, and I believe he said the investigation moved to the special agent stage and involved the receipt of a campaign contribution which had not been delivered and which, therefore, might be considered to be income, unreported income. And the substance of it, Mr. Simon said to me that this was a matter that might be potentially embarrassing to the President by reason of the closeness of Mr. Rebozo to the President, and that we should know about this. As I recall, that was the substance of what he told me on that subject in that conversation. He may have mentioned some other problem at that time.

I fix that at the end of May or early June, because as I indicated to you, when we had an informal discussion about this previous discussion that I had with Mr. Simon, again, as I recall, on his initiative, was with respect to the audit or the tax return of the President, that was around May 17, as I recall, that he called and told me that under the procedures of the IRS an audit was in order.

I believe I mentioned that to General Haig. There was rapid agreement between us that this was a matter that should go the ordinary course of the IRS without any further ado or discussion.

Mr. ARMSTRONG. You are referring to the audit of the President and Mrs. Nixon?

Mr. GARMENT. As I recall, I spoke to Mr. Simon and Mr. Alexander, who may have called me. I said, "Just proceed as if you were doing it with any other individual." I think I arranged—either I arranged or somebody arranged it—in any event, I conveyed the information

that Mr. Bleck would sign the return as the preparer, and, therefore, did not need a power of attorney to meet with the IRS, would be in Washington, would meet with a designated official of the IRS to discuss the return. I go through all that for the purpose of fixing the date of my subsequent conversation with Mr. Simon, which, as I say, was the latter part of May or June, in connection with the investigation by the IRS of Mr. Rebozo and the \$100,000 in the safe-deposit box.

He may at that time, also may have mentioned some other story or rumor floating around about a large, \$1 million trust fund or investment portfolio that was being jointly—that was being handled in some secret name by Mr. Rebozo or someone else for Mr. Rebozo. And of course it turned out there was nothing to it. That may have taken place in that conversation or in a subsequent conversation.

Mr. ARMSTRONG. Mr. Simon places the conversation according to his phone logs on May 23, 1973, which would be the day following the President's May 22 address.

Mr. GARMENT. I would not dispute that. It may well have been. It was either May or early June.

Mr. ARMSTRONG. Do you recall what prompted Under Secretary Simon's call? Were you aware of whether there were any preceding calls?

Mr. GARMENT. I did not know of any preceding calls. When he called me he just told me that piece of information. I recall discussing it with Mr. Buzhardt and with Doug Parker, who was working closely with me and with Fred Buzhardt at that time. Then, of course, I think Fred and I went over to discuss it with Al Haig. We also discussed it at a subsequent time with Mr. Rose.

Mr. ARMSTRONG. "We" being Mr. Buzhardt and yourself?

Mr. GARMENT. Singly or together. It would be hard to be precise about either the day or the circumstances. I know I discussed it with him. I am quite sure we discussed it with him jointly at one or more times.

The question that was raised was, what to do about this information, inasmuch as it could be embarrassing to the President because of the closeness of Mr. Rebozo to the President, and of course, the nature of the information and the implications of the information. We concluded rather early that it would be inappropriate for any of us to discuss the matter with Mr. Rebozo, and concluded that it would be appropriate and probably obligatory for us to advise the President of this. And General Haig was given that advice by all the lawyers who had functioned on the matter—who were then functioning on the matter. When he discussed the matter with the President? I do not know. I subsequently learned that he had.

We all agreed that if Mr. Rebozo were under this kind of investigation, presumably he was represented by counsel. We could not find out because none of us were about to call him. But if the President discussed the matter with him and if he did not have counsel or did not have good, reliable, reputable, trustworthy—by that I mean a professional of professional competence and integrity who could advise him on the tax problems—that he certainly should have such counsel.

At some point a little bit further down the road, in a matter of days

or a week, I furnished to General Haig, Mr. Gemmill's name, Mr. Kenneth Gemmill, as a tax lawyer who could provide such representation if Mr. Rebozo needed a name or wanted a name.

That is the substance of it. That recommendation and the recommendation of Mr. Gemmill's name came up sometime, I think, early June, middle of June. I am not quite sure when his name was broached. He may have already been consulted in connection with the matter of the Presidential papers.

In any event, that was the name that was given to General Haig. I think he asked me for the name, and then I obtained the name and address and phone number, and that was given to General Haig on a card, which he then—I think at a subsequent time he was asked by Mr. Rebozo for a recommendation of counsel. That was the name that was given to him.

Mr. ARMSTRONG. Do you recall if Under Secretary Simon indicated if he had discussed this matter earlier with General Haig when he called?

Mr. GARMENT. I do not recall.

Mr. ARMSTRONG. Or that General Haig indicated to you to expect a call from Under Secretary Simon in this matter.

Mr. GARMENT. I do not recall that. Memories being what they are and particularly at that time, I would not rule out that possibility. I do not have a recollection of him saying to me, "You will be getting a call from Bill Simon about some such matter." But he might have. I do not recall that.

Mr. ARMSTRONG. After first speaking with Secretary Simon on the subject, did you request any further information or any more precise information?

Mr. GARMENT. I do not believe so. I think I tried to figure out what stage this investigation would be at and what significance, what one could infer from the fact that it had reached the special agent stage. It was not until much later on that I learned from newspaper accounts that there were two investigations. One was an investigation into the Danner contribution, and the other was an investigation of Bebe Rebozo's own return. I may have that wrong at this point. But they dovetailed. The two investigations were going on pretty much at the same time.

What I was trying to figure out, was whether he was already being represented by counsel at that time, whether he should know about this at this point.

Mr. ARMSTRONG. Do you recall when Mr. Simon first related the problem as he posed it to you, whether or not Donald Nixon's name was also mentioned?

Mr. GARMENT. No, I do not recall Donald Nixon's name being mentioned.

Mr. ARMSTRONG. Did he indicate that the Internal Revenue Service had already interviewed Mr. Rebozo?

Mr. GARMENT. Mr. Simon?

Mr. ARMSTRONG. Yes.

Mr. GARMENT. I do not recall that. He may have.

Mr. ARMSTRONG. Do you recall if he read or indicated that he was reading from any specific memorandum?

Mr. GARMENT. It was a very brief conversation. That's the recollection that I have, and following that conversation, I made some effort to figure out as a matter of inference on the limited facts that were made available, whether he would have been notified by the IRS and would have counsel and would himself be involved in the process officially to raise the matter with the President and to consider whether there was some potentially embarrassing material there that was part of the puzzle at that point, which leads me to believe that he did not go into that much detail with me. But he might have.

Mr. ARMSTRONG. Do you recall that the level of detail would indicate that there was a joint investigation?

Mr. GARMENT. No; he did not.

Mr. ARMSTRONG. Between the Audit and the Intelligence Divisions?

Mr. GARMENT. No; he did not. I do not have any recollection of that. I did not learn that there was a joint investigation going on until much later on.

Mr. ARMSTRONG. He did indicate, however, that the subject of the investigation was the transfer of a substantial amount of cash, a \$100,000 campaign contribution Mr. Rebozo had retained undisclosed?

Mr. GARMENT. Words to that effect, and that it had proceeded to whatever the term is, the special agent status, or a status that would indicate that there was a possibility that it had reached the stage of criminal investigation.

Mr. ARMSTRONG. In that context, then, did he indicate that the general funds transferred from one person to another for a particular purpose, but not used by the transferee for such a purpose, were generally considered income for tax purposes?

Mr. GARMENT. It was something said to that effect. In other words, I understood that there was a question of his not having reported income or being in a position—this is really quite vague and it may be something that I inferred from the conversation or from a discussion with one of my colleagues—that was they claimed this would be moneys appropriated to his own purposes, and therefore, if he did not report it or did not deliver it to persons that it was to be delivered to, but held it with intent to use it for his own purposes, it might be considered in the nature of an embezzlement or something like that.

Mr. ARMSTRONG. Did he indicate——

Mr. GARMENT. Let me make clear that these are not words that I am putting in someone's mouth, but this is the sense of the problem as I understood it at that time, which was rather puzzling to me.

Mr. ARMSTRONG. In an effort hopefully to refresh your recollection on this, because I realize—do you have any notes on this conversation?

Mr. GARMENT. None at all.

Mr. ARMSTRONG. Let me go through what we have been told from what are purported to be notes that Mr. Simon used, although we were not able to get a copy, because of some of the bureaucratic problems with the Internal Revenue Service and so forth. Did he indicate that the additional aspect of nondisclosure to any third party was significant in that, in such a transfer of cash and the retention of the cash, if the purpose or the fact that the cash was received was not disclosed,

that that in itself was an indication of retention by the individual of the fact that it was taxable income?

Mr. GARMENT. That he said that to me?

Mr. ARMSTRONG. Words to that effect.

Mr. GARMENT. I don't recall that. He may have.

Mr. ARMSTRONG. Let me put it this way: More simply put, it was that Mr. Rebozo had purportedly not told anyone that he had gotten the money. Was it indicated that that was in itself a tax problem?

Mr. GARMENT. I do not recall him going into that much detail with me.

Mr. LACKRITZ. Was there a discussion at that time—

Mr. GARMENT. If you could indicate, are these notes that Simon made at the time of his phone conversation with me, or is this his recollection?

Mr. ARMSTRONG. These are notes that he received from the Commissioner of the Internal Revenue Service, as I understand it, in order to use in his conversation with you, so he could be fairly explicit.

Mr. GARMENT. I do not think he was very explicit. That is the point I am making. I think he was rather guarded, as we all were, about getting into a whole lot of details of the problems of a taxpayer. That is why we were dancing around on the head of a pin to try to figure out how to discharge what we thought were our responsibilities to the President on matters that might be embarrassing to him, because of the closeness of his relationship with Rebozo, and at the same time not make the kind of disclosure that would be an improper disclosure to someone who was the subject of an investigation. I think Mr. Simon himself was being cryptic and guarded in providing information that was very limited.

I am quite confident about that because, as I say, I spent some time after that quite literally, as well as figuratively, scratching my head, trying to figure out what in the world was going on without getting in touch with anyone. It would have been very simple to pick up the phone and call Bebe Rebozo, but I did not do that, and I would not let anyone else do it.

Mr. LACKRITZ. At the time that you had this discussion with Mr. Simon, was there a general discussion, or do you recall a general discussion about the various factors which would be indicia of ownership of the money?

Mr. GARMENT. I do not recall that. I may have called Alexander or Gemmill—I do not even know I knew Gemmill at that time—to try to find out if it had reached the stage of a special agent, what does that mean in terms of whether or not he would have counsel, would he have been notified, would he know what was going on, would this be a big secret to him?

Is he knowledgeable, so that there is no problem in someone talking to him about it?

And the information that I had was that he would certainly be knowledgeable about this at this point. He might be proceeding with his head in the sand, not retaining counsel, handling it himself. But the procedure was such that he received a notification to be called in, he would have gone through various steps in the investigation procedure which would make clear that he had knowledge.

I undertook that to find out myself from persons other than Bill Simon, and I believe other than Don Alexander, which leads me to

conclude from all that, that this kind of detail was not involved in my discussion with either of them at any point.

Mr. LACKRITZ. I guess what you are saying is, your concern was more on the state of knowledge of the investigation, as opposed to the legal points that were involved?

Mr. GARMENT. The questions were: Where was the investigation? Would he have counsel at this point? Would he know what was going on? And what would be the appropriate thing to do?

In other words, I was not at that point trying to determine, and nobody was working out with me, what inferences might be drawn from the fact that he had not disclosed the matter to anyone else.

Mr. LACKRITZ. Certainly, that knowledge would be material in determining what course of action to take, would it not? In other words, some discussion about the legal ramifications of his factual situation would have some bearing on what action you were to take, would it not?

Mr. GARMENT. In relation to what? In relation to notifying the President?

Mr. LACKRITZ. Certainly, the notifying of the President and certainly knowing what counsel he may have had or what counsel he should have.

Mr. GARMENT. I think you are right. There may have been some internal speculation about: What did he do? What did he have? What had he done with the money? Did anyone know? I said, "I am not going to talk to him, I do not think anyone else should talk to him."

Mr. ARMSTRONG. Was there any discussion initially with Mr. Buzhardt or Mr. Parker about whether or not it would be appropriate for anyone from the White House to actually represent Mr. Rebozo?

Mr. GARMENT. I do not recall that discussion.

Mr. ARMSTRONG. I understood you said there was a discussion of whether or not it would be appropriate to discuss it at all with him. The decision was that it was inappropriate?

Mr. GARMENT. Right.

Mr. ARMSTRONG. Was there a further discussion or a preceding discussion of whether or not the individual from the White House should actually represent him, to discuss it with him in an attorney-client relationship?

Mr. GARMENT. I do not recall any such discussion. If there was, I would say I was not party to any such discussion. It would have struck me as a very strange thing to do.

Mr. ARMSTRONG. The discussions that you had with Mr. Buzhardt and Mr. Parker and subsequently with Mr. Buzhardt and General Haig, did these take place on the same day that you received the call, as best you can recall?

Mr. GARMENT. I really do not recall. I imagine, I would guess that they would have been the same day.

Mr. ARMSTRONG. Reasonably timely, that day or the next day?

Mr. GARMENT. Right.

Mr. ARMSTRONG. I gather in the meeting with General Haig it was decided that it would be appropriate to advise the President, and General Haig indicated he would?

Mr. GARMENT. That took a little bit of time before he reached that point—what to do. I am not sure it was in that one meeting, in that meeting. I think there may have been some interval of time from the time that this information came to me or us.

I understand from the newspaper accounts and otherwise that General Haig had a conversation with Mr. Simon also. In any event, I do not believe that there was a decision not to discuss it with Mr. Rebozo and to discuss it with the President and that General Haig should discuss it with the President in that order at one time in one meeting.

Mr. ARMSTRONG. Can you explain what the issues were in terms of whether or not it was appropriate to advise the President? Was there some resistance to that idea? Did someone feel that it might be inappropriate to advise the President?

Mr. GARMENT. The question, in general terms, was about the implications of the problem itself. What might have transpired we just did not know, I did not know. I am quite sure that Fred Buzhardt did not know. I am equally sure that Al Haig did not know, and certainly Mr. Rose did not know. And there was discussion about, how could we find out. The only one who had any information about this presumably would be Mr. Rebozo, of a firsthand nature.

I think we rather quickly and unanimously concluded—I know that I personally, to speak for myself, and Fred, and Rose—the lawyers were very clear that it would not be proper to discuss the matter with Mr. Rebozo.

There were other problems that were occupying the attention and time of all of us at that time. I think it might have gotten on the back burner for a matter of days, while we thought about it, and it was a subject of some concern. Finally, the conclusion was reached. How? I do not specifically recall. The conclusion was reached that the only thing that could be done that would meet the dual needs of advising the President of something that could be quite embarrassing to him if it broke without him knowing anything about it because of his closeness with Mr. Rebozo and because of certain inferences that might be drawn from the facts, whatever those facts were, all at the same time not making a disclosure of investigatory information to Rebozo, was to have General Haig advise the President of this investigation.

Mr. ARMSTRONG. Was there discussion as to the appropriateness of having the President then advise Mr. Rebozo?

Mr. GARMENT. I do not recall that. I think that was a question that would be a matter for the President's own judgment: No. 1, what his own state of knowledge was on the subject; No. 2, what he would want to do at that point in the way of asking questions and trying to ascertain what had transpired and what should be done from that point on.

We felt that we should advise the President and he should determine on his own what to do.

Mr. ARMSTRONG. Was there any advice to the President, though, in terms of any counsel or caution that he might consider before advising Mr. Rebozo?

Mr. GARMENT. I do not recall that. I do not even recall that we got into that degree of detail.

Mr. ARMSTRONG. Was it prior to General Haig's having advised the President—let me put it this way—prior to the decision that General Haig ought to advise the President, that it was suggested that if Mr. Rebozo did not have appropriate, good, reliable counsel, that he should have, and he did have such a name of such a counsel? Was this something that General Haig took in at the same time?

Mr. GARMENT. I would have to guess on that. My recollection is, my best recollection is that they were more or less contemporaneous. You say "take in," you mean the name of the counsel or the advice?

Mr. ARMSTRONG. The advice.

Mr. GARMENT. That he did discuss it with him and Mr. Rebozo did not have counsel, he certainly should have counsel?

Mr. ARMSTRONG. That someone in the White House was aware of appropriate counsel?

Mr. GARMENT. That is right.

Mr. ARMSTRONG. You believe that that did go in?

Mr. GARMENT. That is my best recollection.

Mr. ARMSTRONG. Mr. Gemmill came—

Mr. GARMENT. Mr. Armstrong, I think that Ken Gemmill came into the picture a little later on, which would lead me again—in an attempt to reconstruct the sequence and substance of the event—to believe that this matter of suggesting Gemmill would have taken place—or for that matter, the matter of advising the President—would have taken place perhaps a week or 2 or 3 weeks after the information first came to my attention from Mr. Simon, that there would have been a lag in between, while other things were occupying our attention or while we were trying to determine what would be the proper course of conduct, proper course of action.

Mr. ARMSTRONG. It is your belief that at the occasion when the decision was made that General Haig should advise the President was closer to the time that Mr. Gemmill's name was given than it was to the time that you were originally informed?

Mr. GARMENT. That is right. That would be my best recollection.

Mr. ARMSTRONG. Mr. Gemmill has represented the President in tax matters before the Internal Revenue Service. Do you recall at this time whether Mr. Gemmill had been consulted?

Mr. GARMENT. I do not believe so. I believe the first time—the first occasion that I had anything to do with Ken Gemmill and tax problems was on the matter of the Presidential papers. I may be wrong. There may have been something else, there were so many things going on at that time. Telephone logs indicate that my first conversation would have been about the time that the Washington Post story on the Presidential papers broke, and that would be early in June.

Mr. ARMSTRONG. Do you know how you obtained Mr. Gemmill's name?

Mr. GARMENT. From Mr. Rose.

Mr. ARMSTRONG. Mr. Rose had been associated with Mr. Gemmill?

Mr. GARMENT. Yes.

Mr. ARMSTRONG. Do you recall when Mr. Rose was first consulted?

Mr. GARMENT. Consulted about what?

Mr. ARMSTRONG. Consulted about Mr. Rebozo's tax problems.

Mr. GARMENT. Mr. Rose was consulted by me from time to time on a variety of Watergate matters going back, really, to early April. So it

would be a little hard to pinpoint when this was. It was shortly after when I first heard about this. I would call Mr. Rose and say, "What do you think?"

Mr. ARMSTRONG. Do you recall, was there any particular role that Mr. Rose played, was there any expertise on his part in the consultation?

Mr. GARMENT. Judgment.

Mr. ARMSTRONG. Being more familiar, perhaps, than Mr. Buzhardt, than yourself, about tax problems?

Mr. GARMENT. Infinitely more than me. Besides tax expertise in his case, the judgment of a man wise in the matters of law and government. And he, of course, suggested Ken Gemmill as a tax specialist.

Mr. ARMSTRONG. Do you recall when General Haig heard the substance of what you heard from Mr. Simon?

Mr. GARMENT. I do not have a precise recollection. I believe I—we, learned about it sometime after it took place, and from General Haig. We were meeting all the time. Either I would meet with Al Haig or Fred and myself, or Fred and Chappie and myself. And the meetings were a constant floating conference. It would be hard to be precise about when one learned about any particular matter. They were multi-subject meetings, telephone conversations in different places, fragments of one subject overlapping another. It would be very difficult to be precise about it.

Mr. ARMSTRONG. Do you recall if General Haig related at that time—by that I mean subject to having related it to the President—what the President's reaction was, or any comments the President made on that subject?

Mr. GARMENT. I do not have a recollection of that.

Mr. ARMSTRONG. Do you recall whether he related at that or any other time that the President seemed familiar with the problem, the details?

Mr. GARMENT. I am not sure. If I had to lean one way or another on my recollection—and I am doing a certain amount of informed guessing about these matters—with that caveat, I would say the general impression I retain is that the President did not know or did not know much of the details of the matter. But he may very well have indicated otherwise. That is quite a shadowy recollection.

Mr. ARMSTRONG. You indicated, I believe, that General Haig did come to you and ask for Mr. Gemmill's name and address?

Mr. GARMENT. I do not think he came to me. I recall that I was in an office, probably his office, and I think he said that Mr. Rebozo wanted the name of that lawyer. I do not think that General Haig at that point knew Ken Gemmill. And I have a recollection on this of asking General Haig's secretary to call over to my secretary. Then she wrote down on a piece of paper or a card Mr. Gemmill's phone number and address in Philadelphia. That was given to him. He called back or gave it to him when he saw him. I just do not know how that took place.

Mr. ARMSTRONG. Were you informed later as to whether or not Mr. Rebozo had received Mr. Gemmill's name and how that had taken place?

Mr. GARMENT. I learned at some later point that he had received the name that he had asked for, that he was given it by General Haig.

And I do not recall, I am not sure that I know that it was done on the telephone, or in person, or by mail.

Mr. ARMSTRONG. Do you recall if you were informed that the President had requested that General Haig talk to Mr. Rebozo?

Mr. GARMENT. He may have.

Mr. ARMSTRONG. Did you discuss this subject at any time, or were you present at any discussions with the President on this subject?

Mr. GARMENT. No; I was not.

Mr. ARMSTRONG. Have you discussed this subject at any time with Miss Rose Mary Woods?

Mr. GARMENT. No; I have not.

Mr. ARMSTRONG. Do you recall when you first became aware that Miss Rose Mary Woods had been informed, or that Mr. Rebozo alleged that Miss Rose Mary Woods had been informed of the receipt of the contribution at an earlier date, a date earlier than Mr. Simon's call to you?

Mr. GARMENT. I would ask you to put the question again. I don't think it's necessary, because I do not think I have any information on that subject earlier than the time that I read about it in the newspapers. The answer is probably no.

Mr. ARMSTRONG. Are you aware of any discussions within the White House about the Hughes contribution to Mr. Rebozo that occurred prior to May 23, or prior to the call from Mr. Simon?

Mr. GARMENT. Am I aware of any?

Mr. ARMSTRONG. Yes.

Mr. GARMENT. Did I participate in any? No.

Mr. ARMSTRONG. Or whether Mr. Ehrlichman had learned from the Internal Revenue Service or the Department of the Treasury that this problem had occurred, that Mr. Rebozo had heard in April 1973?

Mr. GARMENT. The first I heard of that was when you raised the subject informally.

[Recess.]

Mr. ARMSTRONG. Do you recall when you first learned of the alleged meeting between Mr. Kalmbach and Mr. Rebozo on April 30, 1973?

Mr. GARMENT. I learned about that in the press.

Mr. ARMSTRONG. From published accounts?

Mr. GARMENT. Published material, yes.

Mr. ARMSTRONG. Do you recall if subsequently you have learned whether or not there was such a meeting on April 30 between Mr. Kalmbach and Mr. Rebozo?

Mr. GARMENT. I have no knowledge about that.

Mr. ARMSTRONG. Whether Mr. Rebozo spoke to Mr. Kalmbach regarding the Hughes contribution?

Mr. GARMENT. I have no knowledge.

Mr. ARMSTRONG. Do you know—have you learned that the President at any time instructed Mr. Rebozo to speak to anyone regarding the Hughes contribution?

Mr. GARMENT. I have no knowledge; I do not know.

Mr. ARMSTRONG. Do you recall seeing Mr. Rebozo in the White House on April 30 or about that time?

Mr. GARMENT. I recall that I did see him at that time very briefly, and we had no discussions about any specific problem. I think I saw him—it may have been about the time that the President was preparing to make his April 30 speech, and I think that that was a very brief passage between us in which Mr. Rebozo reflected his personal sadness about the events of the day.

Mr. ARMSTRONG. Did he indicate any specific knowledge or information about the events of the day?

Mr. GARMENT. No; we did not get into that at all.

Mr. ARMSTRONG. Do you recall if you were present or aware of any events at Camp David—

Mr. GARMENT. I am pretty sure it was that day or the next day. It was right at that time. My recollection is it was that day.

Mr. ARMSTRONG. Do you recall if you were present at Camp David or were aware of the events at Camp David on the weekend of May 20, immediately preceding the President's May 22 speech?

Mr. GARMENT. No.

Mr. LACKRITZ. Are you saying that you were not there?

Mr. GARMENT. You say May 20?

Mr. LACKRITZ. May 19 and 20.

Mr. GARMENT. May 19 and 20?

Mr. ARMSTRONG. Preceding the speech on May 22.

Mr. GARMENT. It was not a speech, it was a statement.

Mr. ARMSTRONG. The statement, I am sorry.

Mr. GARMENT. I was not up there then. I was working on that statement back home.

Mr. ARMSTRONG. In Washington?

Mr. GARMENT. In Washington. I was there April 30, the weekend preceding that. I was at Camp David—not in May.

Mr. ARMSTRONG. Do you recall if you learned at any time that Mr. Danner was present on the weekend of May 19 or 20?

Mr. GARMENT. I have no knowledge about that.

Mr. ARMSTRONG. On the weekend of April 30 at Camp David, do you recall whether Mr. Rebozo was present?

Mr. GARMENT. I did not see him if he was.

Mr. LACKRITZ. Before we leave the April 30 date, do you recall seeing Mr. Kalmbach around that period of time?

Mr. GARMENT. No; I do not recall seeing him.

Mr. ARMSTRONG. Are you acquainted with Mr. William Griffin, Mr. Abplanalp's attorney?

Mr. GARMENT. I know him. I'm not sure I have ever seen him. I think we have talked on the phone once or twice.

Mr. ARMSTRONG. Do you recall generally what the subject of those conversations were?

Mr. SCHULTZ. Why not be more specific? Having to do with the Rebozo matter and the \$100,000?

Mr. ARMSTRONG. If Mr. Garment can recall the subject of the conversation—

Mr. GARMENT. I do not recall the subjects of the conversations.

Mr. ARMSTRONG. Do you recall if it in any way concerned the \$100,000 to Rebozo, the Hughes contribution?

Mr. GARMENT. No; I do not recall.

Mr. ARMSTRONG. Do you recall whether it involved the B. & C. Investment Co.?

Mr. GARMENT. I am trying to recall what I did speak to him about. I know that I did talk to him once or twice. For the life of me, I cannot recall what it was. It might have been one of the technical details of the investment situation or the property situation. I could go through a whole lot of may-have-beens, but I do not recall.

Mr. ARMSTRONG. Do you recall whether it was in connection with the audit of the President's personal finances?

Mr. GARMENT. I do not believe it was. I had virtually nothing to do with that other than—well, I had virtually nothing to do with it.

Mr. ARMSTRONG. Do you recall whether it had to do with Mr. Griffin's purchase of the President's property in the Cape Florida development in Florida?

Mr. GARMENT. I do not believe so. I believe it had something to do with one or another of the hundreds of newsstories at that time that I was checking with him about something, trying to get some information about one of the stories, to try to verify or contradict, to find out what the information was. That is the closest I come to it. It may have been something entirely different. I really do not have a recollection.

Mr. ARMSTRONG. Do you recall when you first learned, if in fact you did, that Mr. Griffin had represented or consulted Mr. Rebozo regarding the \$100,000 Hughes contribution?

Mr. GARMENT. I do not recall learning anything about that.

Mr. ARMSTRONG. Or Mr. Griffin was involved with the \$100,000 returned to the Hughes Tool Co.?

Mr. GARMENT. I believe that I learned about that in the public media.

Mr. ARMSTRONG. Has anyone ever told you or speculated with you or have you ever stated that you felt that the President had a legal problem associated with the Hughes contribution?

Mr. GARMENT. No. On the terms that you are putting it that the President himself personally had a legal problem there, the answer would be no.

Mr. ARMSTRONG. Would the President have a legal problem in conjunction with Mr. Rebozo's handling of the money or use of the money?

Mr. GARMENT. Quite obviously, on certain hypothetical bases, none of which have been demonstrated as far as I know, there would be problems. There were never any facts that were discussed in my presence by any of the persons involved in this matter that would indicate knew that you didn't, that he had a legal problem?

Mr. ARMSTRONG. No one indicated to you, based on facts that they know that you didn't, that he had a legal problem?

Mr. GARMENT. That is right.

Mr. ARMSTRONG. Are you aware of any of the concerns that associates of the President or individuals might have, any of the concerns they had regarding F. Donald Nixon during the course of the first administration?

Mr. GARMENT. Only in the most general terms. I had nothing to do—F. Donald Nixon is which one? Is that the nephew or is that the brother?

Mr. ARMSTRONG. The brother.

Mr. GARMENT. No; I do not have specific knowledge. I know there have been discussions from time to time about them, concerns or problems. I would not be able to identify them or identify the extent of the concern.

Mr. ARMSTRONG. Are you associated with Mr. Stanley McKiernan?

Mr. GARMENT. No.

Mr. ARMSTRONG. Have you ever talked to him on the phone?

Mr. GARMENT. I may have had to convey a piece of information. I doubt that I did. I have no recollection what that information would have been, if I did convey it.

Mr. ARMSTRONG. Do you recall if you were aware at the time that it was prepared and, subsequently, of a briefing book on F. Donald Nixon's potential legal problems and Edward Nixon's potential legal problems or conflicts, as prepared by Mr. McKiernan?

Mr. GARMENT. Was I aware at or about the time it was prepared?

Mr. ARMSTRONG. Yes.

Mr. GARMENT. No.

Mr. ARMSTRONG. Have you become aware of it subsequently?

Mr. GARMENT. I have heard of such a book. I have not seen it and know nothing about it. I have heard reference to a book or read reference to a book.

Mr. ARMSTRONG. Do you recall any reference in the White House?

Mr. GARMENT. I did.

Mr. ARMSTRONG. Do you recall from whom you heard that?

Mr. GARMENT. Fred Buzhardt.

Mr. ARMSTRONG. What was the discussion at that time?

Mr. GARMENT. All I recall was—there was reference to a book which contained information with respect to certain matters, whether they were problems or what, but information related to Donald Nixon or the Nixon brothers or the Nixon family. I really could not be more precise than that.

Mr. SCHULTZ. Was there any indication that these problems, whether they were real or imagined, were in any way connected with the 1972 Presidential campaign?

Mr. GARMENT. No indication at all.

Mr. ARMSTRONG. Do you recall if Mr. Buzhardt was attempting to locate the book if it had been misplaced?

Mr. GARMENT. No.

Mr. ARMSTRONG. Do you have any knowledge of a meeting in January 1974 between the President and his two brothers and Mr. McKiernan in San Clemente?

Mr. GARMENT. No.

Mr. ARMSTRONG. Do you have any knowledge of any plan for or attempt to break in or actual break-in of the premises of Hank Green-spun?

Mr. GARMENT. No.

Mr. ARMSTRONG. Any information that—I believe there was a discussion between the President and Mr. Haldeman and Mr. Ehrlichman in one of the transcripts that was released to the House Judiciary Committee. I believe it is the April 14, 1973, transcript. Do you have any more information on what is contained in that?

Mr. GARMENT. No.

Mr. ARMSTRONG. Are you aware of any expenditures that Mr. Rebozo had made on behalf of the President, or any cash or any items of value that Mr. Rebozo has given to the President?

Mr. GARMENT. No.

Mr. ARMSTRONG. Have you, yourself, heard of any Presidential conversations—tapes of Presidential conversations?

Mr. GARMENT. I have heard a few.

Mr. ARMSTRONG. Do any of those include presently unpublished tapes?

Mr. GARMENT. I would not know. I may have heard one that is involved in the *Vesco* case. I do not think that was published.

Mr. ARMSTRONG. Do you recall whether you heard the September 15, 1972, tape?

Mr. GARMENT. I did not.

Mr. ARMSTRONG. Do you recall if you ever heard of any tapes of Presidential conversations between Mr. Rebozo and the President?

Mr. GARMENT. No.

Mr. ARMSTRONG. Or seen any transcripts or are aware of any transcripts of any conversations?

Mr. GARMENT. No.

Mr. ARMSTRONG. Are you aware, other than the tapes that were under consideration before Judge Sirica in November, December, this year in the hearings that took place regarding those tapes, other than the tapes in question there, are you aware of any erasures or gaps or alterations of tapes, or of any changes of custody other than those in the custody of the Secret Service or General Bennett?

Mr. GARMENT. No.

Mr. ARMSTRONG. That's all I have.

Mr. SCHULTZ. No questions.

Mr. SILVERSTEIN. No questions.

[Whereupon, at 11:45 a.m., the hearing in the above-entitled matter adjourned.]

WEDNESDAY, MAY 22, 1974

U.S. SENATE,
SELECT COMMITTEE ON
PRESIDENTIAL CAMPAIGN ACTIVITIES,
Washington, D.C.

The Select Committee met, pursuant to notice, at 2 p.m., in room G-334, Dirksen Senate Office Building.

Present: Senator Weicker.

Also present: Fred D. Thompson, minority counsel; Terry Lenzner, assistant chief counsel; Scott Armstrong and Mary DeOreo, investigators; Richard L. Schultz, assistant minority counsel; and Emily Sheketoff, research assistant.

Senator WEICKER. Will you raise your right hand? Do you swear that the evidence you shall give to the committee is the truth, the whole truth, and nothing but the truth, so help you God?

Mr. HIGBY. I do.

Senator WEICKER. So sworn.

Mr. ARMSTRONG. The purpose of this afternoon's session is to cover some areas with Mr. Higby, and to determine, within his knowledge, what he may know about some areas relating to the Hughes contribution to Mr. Rebozo, related to concerns about F. Donald Nixon and the White House, and related to concerns about Lawrence O'Brien and the White House, as well as to cover some materials relating to Mr. Haldeman and others which were covered on prior interviews.

This is Mr. Higby's first executive session—first interview under oath; so we may cover some materials covered previously not under oath. We will request—is it your desire to have a copy of the transcript?

TESTIMONY OF LAWRENCE M. HIGBY, ACCOMPANIED BY RICHARD
HAUSER, COUNSEL

Mr. HIGBY. If possible.

Mr. ARMSTRONG. We will request it from the committee, and as a matter of course, the committee has always granted it. But they do have to vote.

Mr. HIGBY. I understand. Thank you.

Mr. ARMSTRONG. For the record, could you state your full name and address?

Mr. HIGBY. Lawrence Mead Higby, H-i-g-b-y, is the spelling of the last name; address, 5002 Brookway Street, Bethesda, Md.

Mr. ARMSTRONG. And your present employment?

Mr. HIGBY. I am presently employed by the Office of Management and Budget.

Mr. ARMSTRONG. In what capacity?

(11073)

Mr. HIGBY. Special Assistant in the Office of the Deputy Director.

Mr. ARMSTRONG. The Deputy Director is——

Mr. HIGBY. Mr. Malek.

Mr. ARMSTRONG. How long have you been in that position?

Mr. HIGBY. Approximately 1 year.

Mr. ARMSTRONG. Prior to that time?

Mr. HIGBY. I was deputy assistant to the President, serving as principal deputy to H.R. Haldeman, who was chief of staff at the White House, with one brief interlude of about 3 weeks, when I served as a deputy to Haig during the initial transition phase after Mr. Haldeman left.

Mr. ARMSTRONG. When did you first come to the White House?

Mr. HIGBY. January 20, 1969.

Mr. ARMSTRONG. And from that period until the time you departed—until the time Mr. Haldeman departed—you served as his principal aide?

Mr. HIGBY. No. I worked in various capacities for him, starting out as a staff assistant, and eventually ending up as his principal aide, and then his deputy.

Mr. ARMSTRONG. Now, can you relate for us what, if any, knowledge you have of the Howard Hughes contribution to Mr. Charles "Bebe" Rebozo?

Mr. HIGBY. To the best of my knowledge, and to the best of my recollection, I have no knowledge of it.

Mr. ARMSTRONG. You first learned of that contribution from press accounts?

Mr. HIGBY. Yes, sir.

Mr. ARMSTRONG. Can you tell us if there is any relevant background information—any information that you feel is relevant to offer by way of background information to that transaction? Let us go off the record for a second.

[Discussion off the record.]

Mr. ARMSTRONG. Back on the record. You may put that on.

Mr. HIGBY. I have no knowledge of the Hughes contribution. I am, however, aware of the fact that Mr. Haldeman told me that during one of the discussions he had with the President at the time of, or immediately after, his resignation, the President indicated that Mr. Rebozo did have some funds that could be made available to Mr. Haldeman, and, as I understand it, also to Mr. Ehrlichman, for the purpose of assisting their legal defense. And that is all.

Mr. ARMSTRONG. When did Mr. Haldeman relate this to you?

Mr. HIGBY. Oh, I would say right before, or right after, his resignation from the White House, which was April 30, 1973.

Mr. ARMSTRONG. And he indicated that, just prior to that—I mean, the President had indicated that information to him?

Mr. HIGBY. Not just prior to that, but within the span of a few days.

Mr. ARMSTRONG. Certainly within the period, April 15 to April 30—that his resignation was being discussed?

Mr. HIGBY. Yes, I believe so. Yes.

Mr. ARMSTRONG. And did he indicate whether or not he had had any further discussions with the President on that subject?

Mr. HIGBY. To my knowledge, he did not. He never indicated it to me; whether he did or did not.

Mr. ARMSTRONG. Did he indicate whether he took any action on that advice?

Mr. HIGBY. Not to me; no.

Mr. ARMSTRONG. Off the record for a second.

[Discussion off the record.]

Mr. ARMSTRONG. All right, back on the record. Do you recall where this conversation took place with Mr. Haldeman?

Mr. HIGBY. I really do not; no.

Mr. ARMSTRONG. Was anyone else present?

Mr. HIGBY. No, I do not believe so. I do not recall anyone being present. I don't recall anything other than the fact that he said it to me.

Mr. ARMSTRONG. Do you recall if Mr. Haldeman had been seeking—had been attempting to locate or ascertain where he might get funds for legal defense?

Mr. HIGBY. I do not know if he had specifically been trying to ascertain them. I know that was one of the primary considerations; one of his major considerations and concerns at the time of resignation, both in terms of general legal defense and just in terms of money to live on.

Mr. ARMSTRONG. Did Mr. Haldeman indicate—do you know if Mr. Haldeman had any discussions with Mr. Rebozo on that subject?

Mr. HIGBY. No, I do not.

Mr. ARMSTRONG. Do you want to follow that up? I will come back to it.

Mr. LENZNER. Do you know if Mr. Haldeman ever had any financial transactions with Mr. Rebozo at any time?

Mr. HIGBY. No, I do not. To my knowledge he did not; none that I am aware of.

Mr. LENZNER. Do you know if they ever discussed any specific financial transactions?

Mr. HIGBY. Gee, not to my knowledge; no. Can you give me any areas or anything that might probe? I do not recall any; no.

Mr. LENZNER. OK. Did you see Mr. Rebozo on or about the time that Mr. Haldeman advised you that Mr. Rebozo might have or had funds for legal defense?

Mr. HIGBY. No, I do not believe so. I do not believe I have seen Rebozo since the last time I was down at Key Biscayne which must be more than a couple of months before Haldeman left, other than I have seen him in the hall wandering around the White House; but I mean to have a conversation with him.

Mr. LENZNER. Did you see him wandering about the hallways about the same time that Mr. Haldeman advised you concerning the money that Mr. Rebozo had?

Mr. HIGBY. I do not know. He came up and spent some time with the President, as I recall, shortly after Mr. Haldeman left, but I do not associate the two events particularly, Terry.

Mr. LENZNER. Do you know what the purpose of his spending time with the President was?

Mr. HIGBY. I think in his role of being the President's friend. I think the President was very distraught over the departures of Messrs. Haldeman and Ehrlichman.

Mr. ARMSTRONG. We can return to that subject.

Mr. HIGBY. OK.

Mr. ARMSTRONG. I would like to have you identify if you can, Larry—we will have this marked as exhibit 1 for identification—a memorandum from Mr. Safire to Mr. Haldeman, dated August 4, 1970.

Mr. HIGBY. I cannot identify it. It does not ring any particular bells in my mind.

Mr. ARMSTRONG. Can we have that marked as exhibit 1?

[Whereupon, the letter referred to was marked Higby exhibit No. 1, for identification.¹]

Mr. ARMSTRONG. I believe the item attached to it we will have marked for identification as exhibit 2—was probably attached to this first memorandum from Mr. Safire.

[Whereupon, the document referred to was marked Higby exhibit No. 2, for identification.²]

Mr. HIGBY. I am not following you, Scott. Do you mean this [indicating] was probably attached to this [indicating]?

Mr. ARMSTRONG. No. The page from Newsweek, which is attached to the exhibit 2, which is the memorandum from Mr. Haldeman and Mr. Dean dated August 5, 1970. It is my belief that that was originally attached to the August 4 memorandum. Can you identify the second page, the attachment page, of exhibit 2?

Mr. HIGBY. Periscope is a column that is published at the front of Newsweek.

Mr. ARMSTRONG. It makes a reference to Mr. O'Brien.

Mr. HIGBY. Where?

Mr. ARMSTRONG. Down in the body.

Mr. HIGBY. Where? [Pause] Here. Here it is. "Clout, Inc.—high powered, new international consulting firm."

Mr. ARMSTRONG. That is the correct section.

Mr. HIGBY. Yes, I see it. I see the reference to Larry O'Brien.

Mr. ARMSTRONG. Do you recall having seen that before? Does it ring any bells?

Mr. HIGBY. No.

Mr. ARMSTRONG. And the cover memorandum, the first page of exhibit 2, to Mr. Dean?

Mr. HIGBY. It does not ring any bells. Literally hundreds of papers went over my desk a week, and this one does not stand out in any particular way as being significant.

Mr. ARMSTRONG. I have a memorandum from Mr. Dean to Mr. Haldeman, dated August 18, 1970. We will have it marked as exhibit 3 for identification. Can you identify that? Take your time.

[Whereupon, the letter was marked Higby exhibit No. 3 for identification.³]

Mr. HIGBY. I guess the word "market"—"Obviously this kind of service can best be marketed if it is nonpartisan."

I cannot identify this memorandum other than it seems to be an obvious response to Haldeman's memorandum to Dean.

Mr. ARMSTRONG. You do not recall having seen it?

Mr. HIGBY. No, sir. I am sorry, I do not.

¹ See p. 11114.

² See p. 11115.

³ See p. 11117.

Mr. LENZNER. Do you have any recollection of seeing Haldeman's memo to Dean that is made reference to, I think in the first sentence there; and the date would have been January 18—

Mr. HIGBY. No. I think it says clearly here, Mr. Lenzner, "August 15th."

Mr. ARMSTRONG. Which is the memorandum you were shown previously?

Mr. HIGBY. That is right.

Mr. ARMSTRONG. August 4 is the Safire memorandum to Haldeman. August 5 is the Haldeman to Dean memorandum.

Mr. HIGBY. Are we going to go through all of those?

Mr. LENZNER. [Nods affirmatively.]

Mr. HIGBY. Why don't you give me the stack?

Mr. ARMSTRONG. This we'll have marked as exhibit 4.

[Whereupon, the letter referred to was marked Higby exhibit No. 4, for identification.*]

Mr. ARMSTRONG. That is a series of memorandums from Mr. Caulfield to Mr. Dean which may or may not have been attached to exhibit 3. And I show you those again to ask you if any of those look familiar?

Mr. HIGBY. No, I am sorry, they do not.

Mr. ARMSTRONG. One is from Mr. Huston to Mr. Dean.

Mr. HIGBY. Is there any indication on any of them that I have seen them? I notice that a page is turned over here. Are there initials or markings of mine on them—on any copies that you have?

Mr. ARMSTRONG. I do not believe so. I believe we have the copies which were probably file copies.

Mr. HIGBY. Copies of copies, so to speak?

Mr. ARMSTRONG. Copies of file copies, yes.

Mr. HIGBY. No; these memorandums are not familiar to me.

Mr. ARMSTRONG. Does the subject or substance of those memorandums—do you recall any concern or investigations or any discussions with Mr. Haldeman on those subjects?

Mr. HIGBY. On those subjects there? No. To save time, Scott, why don't we see if we can narrow it down a little bit? What I do recall is a general discussion at the time Mr. O'Brien became chairman of the Democratic National Committee—and I do not recall when that was—that he was, in fact, looking for another corporation and was not taking any money, but was apparently a lobbyist for a particular group or something like that. And I thought that it was the Ford Foundation that was paying him, or something like that. But apparently I am wrong.

Mr. ARMSTRONG. Do you recall how you learned of that?

Mr. HIGBY. I thought Colson raised the subject, but I may be wrong.

Mr. LENZNER. Did Colson indicate interest in O'Brien at various times that you are aware of?

Mr. HIGBY. I think so. I do not recall any specific occasion other than the one I have just related to you.

Mr. LENZNER. Who else was present besides Mr. Colson at the time that you talked about Mr. O'Brien's other—

Mr. HIGBY. I am not sure if it was a meeting or via memorandum, Terry, to be honest with you. I vaguely recall the fact that Colson

*See p. 11119.

raised the concern about O'Brien and the dual role of being chairman of a major political party while also apparently part of a profit or private or public foundation involved with certain activities.

Mr. ARMSTRONG. Do you recall the time period during which he raised this concern?

Mr. HIGBY. Yes, as I recall it, it was shortly after O'Brien became chairman of the Democratic National Committee.

Mr. ARMSTRONG. Which would have been in early 1971?

Mr. HIGBY. When was that? Your guess is as good as mine.

Mr. ARMSTRONG. Do you recall what action, if any, Mr. Colson's concern precipitated?

Mr. HIGBY. I am not sure whether it precipitated any action with anybody like Dean. I am not sure whether it did or did not. I am, frankly, not sure what action it precipitated, but I do recall that it was a concern raised, or a point raised.

Mr. ARMSTRONG. Do you recall if Mr. Bob Bennett, son of Senator Wallace Bennett—if his name came up in the course of whatever concern Mr. Colson expressed?

Mr. HIGBY. The only thing Bennett rings a bell on is the stuff that has come out in the Post in the last couple of months, on the CIA.

Mr. ARMSTRONG. Do you recall if Mr. Colson's concern involved the concern that Mr. O'Brien had been employed by Howard Hughes or the Hughes Tool Co.?

Mr. HIGBY. I cannot recall a link with Hughes and O'Brien. No, that does not ring a bell.

Mr. ARMSTRONG. All right, let me—

Mr. LENZNER. Excuse me. Did you say reference in the newspapers to Bennett's connection with the CIA rings a bell to you?

Mr. HIGBY. I said that is the only connection that Bennett's name rings a bell to me is reading it in the Post.

Mr. LENZNER. You are not suggesting that you have independent information relating to the stories in the Post?

Mr. HIGBY. No. No, Terry, I am not.

Mr. ARMSTRONG. I would like to show you a group of memorandums. The first memorandum from Mr. Colson to Mr. Goodearle dated January 15, 1971.

Mr. HIGBY. G-o-o-d-e-a-r-l-e.

Mr. ARMSTRONG. The second is a memorandum from Mr. Caulfield to Mr. Dean dated January 22, 1971. The third is a memorandum from Mr. Caulfield to Mr. Dean dated January 25, 1971. The fourth is a memorandum from Mr. Dean to Mr. Haldeman dated January 26, 1971. The next is a memorandum from Mr. Haldeman to Mr. Dean dated January 28, 1971. A memorandum from Mr. Caulfield to Mr. Dean, February 1, 1971. Mr. Caulfield to Mr. Dean, February 3, 1971. Mr. Dean to Mr. Caulfield, February 5, 1971. And a nondated memorandum which, I believe, is from Mr. Caulfield to Mr. Dean. Those will be exhibit 5 for identification.

Mr. HOUSER. Scott, for clarification, do you want to mark that as exhibit 5-A, B, C, D, et cetera?

Mr. LENZNER. That is a good idea. If he makes reference to one, we will know which one he is talking about.

[Whereupon, the letters referred to were marked Higby exhibits Nos. 5-A through 5-I, for identification.*]

Mr. HIGBY. Gee, the whole cast of characters is in here. [Pause.] Scott, in quick reading, the only thing that rings any bells in here is—there was, I know, some thought about how this relationship—once again a relationship I thought was one with the foundation or someone else, I did not think it was Hughes, although all of this points so strongly in that direction. Maybe Hughes was the contact—could be made public. But none of these memorandums specifically mean anything to me beyond what I have just told you.

Mr. LENZNER. When you say “made public,” are you referring to furnishing them information regarding this relationship to the news media in some respect?

Mr. HIGBY. Yes, I think that was the general idea.

Mr. LENZNER. Do you remember whose idea that was?

Mr. HIGBY. No, but I assume that it would have revolved around the Colson area.

Mr. LENZNER. Do you remember any newsmen specifically that they might have had in mind?

Mr. HIGBY. No, I am not even sure that it ever did become public.

Mr. ARMSTRONG. Exhibit 5-D, which is Mr. Dean's memorandum from Mr. Haldeman on January 26, 1971, makes reference, it opens, “Pursuant to your memorandum of January 18, 1971, I have conducted an inquiry into the relationship between Larry O'Brien and Howard Hughes.” Do you recall that memorandum and what request was made in that memorandum?

Mr. HIGBY. I do not.

Mr. ARMSTRONG. Have you seen that memorandum since Mr. Haldeman left the White House?

Mr. HIGBY. Since he left the White House?

Mr. ARMSTRONG. Yes.

Mr. HIGBY. No; not to my knowledge. I probably would have seen the memorandum if, in fact, there was a memorandum at the time Haldeman sent it, because I usually did take things in for signing, or review after it came out. But I don't recall that specific memorandum.

Mr. ARMSTRONG. Do you know specifically what Mr. Dean's charge was from Mr. Haldeman in terms of ascertaining Mr. O'Brien's relationship to the Hughes Tool Co.?

Mr. HIGBY. No, I do not.

Mr. ARMSTRONG. OK. Also in exhibit 5—

Mr. HIGBY. I would guess it would be simply a research function.

Mr. ARMSTRONG. In exhibit 5-D, Mr. Dean makes reference to the fact—it said, “Second. I discussed the matter with Bebe Rebozo who indicated his information regarding this retainer had come from Robert Maheu, recently released head of Hughes' Nevada operation.” Are you aware of any information which Mr. Haldeman obtained from Mr. Rebozo directly or indirectly other than this?

Mr. HIGBY. No, I am not. The only thing that I am aware of is, I have a general vague understanding—and I don't know where I

*See p. 11123.

picked it up—I thought from Chaplin—that Rebozo and Hughes were friends or acquaintances.

Mr. ARMSTRONG. And do you remember what time period you picked that up?

Mr. HIGBY. I think it was very early 1969.

Mr. ARMSTRONG. And can you recall what Mr. Chapin said, or how you got that impression?

Mr. HIGBY. No, I cannot. I thought about it—I have discussed it with my lawyer to try to build the recollection, and that is all that I have.

Mr. ARMSTRONG. When you say “discussed it with your lawyer,” do you mean Mr. Kane—your friend, Mr. Kane?

Mr. HIGBY. He is not my friend, he is my lawyer.

Mr. ARMSTRONG. Do you recall any other discussion with Mr. Chapin?

Mr. HIGBY. No.

Mr. ARMSTRONG. He did not indicate the source of his information?

Mr. HIGBY. No. I do not think it was in a financial vein, it was just that Bebe, in fact, knew Mr. Hughes.

Mr. ARMSTRONG. Do you recall any discussions with Mr. Haldeman or any others, or other information that Mr. Haldeman had access to which would have indicated any reason why Mr. Rebozo's name should be kept out of any further examinations of Mr. O'Brien's connection with Mr. Hughes?

Mr. HIGBY. Do I recall—there were about four questions in there, and I think the answer to all of them was “No.”

Mr. ARMSTRONG. Let me simplify it. In exhibit 5-E, Mr. Haldeman and Mr. Dean on January 28, 1971, Mr. Haldeman said, “However—

Mr. HIGBY. To Mr. Dean from Mr. Haldeman? Yes, I've read that. Do I recall any discussion of that particular point raised there?

Mr. ARMSTRONG. Let me just for the record—Mr. Haldeman makes reference to:

You should continue to keep in contact with Bob Bennett as well as looking for other sources of information on this subject. Once Bennett gets back to you with his final report, you and Chuck Colson should get together and come up with a way to leak the appropriate information. Frankly, I can't see any way to handle this without involving Hughes, so the problem of embarrassing him seems to be a matter of degree. However, we should keep Bob Bennett and Bebe out of it at all costs. Please keep me advised of your progress on this and any plans you decide on.

Mr. HIGBY. Yes.

Mr. ARMSTRONG. Is there any context—does this recall any other information about why Mr. Haldeman might want to keep Mr. Rebozo's name out of it?

Mr. HIGBY. No, no.

Mr. ARMSTRONG. Do you have any other questions on that?

Mr. LENZNER. Have those memos, or the subject matter in the memos, been a matter of discussion with you and anybody else recently in the last several months, besides your counsel?

Mr. HIGBY. Only from the standpoint of—I told Mr. Buzhardt of the fact that I was being asked to come up here and generally discuss the areas that Scott outlined at the beginning of the session today. We did not go into any detailed discussion of it, though.

Mr. LENZNER. Did Mr. Buzhardt make any comment or furnish any information at that time?

Mr. HIGBY. No, I do not think that he did other than to say, let's see, that he would be providing counsel to come up here, or would like to provide counsel. And, of course, I said I had no objection, and I would be happy to have someone come along. I think that was about the extent of our discussion on it. I think I relayed to him in rather absolute fashion my almost totally nonexistent knowledge of Bebe Rebozo's affairs. I believe, I am not sure, that I mentioned the fact—the one fact that we have already discussed, which is the fact that there was discussion of possible assistance in the legal fees area for Mr. Haldeman.

This morning at breakfast he relayed back to me the fact that when I told him I was coming up here—I saw him at breakfast—that that was apparently the area of primary interest as far as the committee was concerned with Mr. Rebozo. He simply said: "I think what they want to ask you about is Haldeman and some possible help on his legal fees—some inquiries Bob made about that." And I said, "Well, other than what I had already told you I have nothing to add there."

Mr. LENZNER. If I get the chronology straight—you first talked to Mr. Buzhardt prior to this breakfast on one occasion?

Mr. HIGBY. Yes; I think that I talked to him last night—Tuesday night.

Mr. LENZNER. That was the first time?

Mr. HIGBY. Yes; I think so.

Mr. LENZNER. Since you were requested to come up here?

Mr. HIGBY. I think so. I am not positive, but I believe so. And I saw him at breakfast this morning, and it was literally one sentence—"I think what they want to ask you about it," and that was it.

Mr. LENZNER. Did he indicate how he had learned that that was the focus of the inquiry?

Mr. HIGBY. No, sir. As I say, it was a one sentence thing. If you want to know how I think he learned about it, I think he was recalling my conversation with him of the night before, but I don't really know.

Mr. LENZNER. Was he able to provide any information as to whether or not any legal funds had, in fact, been secured from that source?

Mr. HIGBY. Terry, I have given you the extent of our conversation. I mean, it was literally one sentence. He was having breakfast with St. Clair and he turned back and started talking to St. Clair about a matter with which I was unfamiliar.

Mr. LENZNER. Are you saying that that is the only person you have ever discussed this with besides your counsel—that is, the general subject matter of Hughes or Rebozo or O'Brien, was to Buzhardt?

Mr. HIGBY. No; I think about 2 weeks ago I happened to be talking with Mr. Haldeman, and I mentioned to him in a general way that I was being called up here apparently to discuss Rebozo's activities. And he just said, "Jesus, I don't know why the Senate committee is still calling people."

And I said, "Well, they are; and of course," I said, "this is one that is no problem because I have no knowledge of what the activities were." I raised with him the point of—as a matter of fact—of a conversation we had had about the \$100,000 or how ever much money it

was—the offer for assistance in legal fees, and he indicated, “Yes, that’s right; we had talked about it.” And he said he was never told—he indicated that he also had not been told the source of the funding, or apparently available funding. I don’t believe he’s gotten any money yet for legal defense from anyone. I think the general impression is that he is independently wealthy.

Mr. LENZNER. Did you say he indicated to you—this was 2 weeks ago. Where was that?

Mr. HIGBY. I called him on the phone, I think, to see how he was doing.

Mr. ARMSTRONG. And you mentioned to him that—

Mr. HIGBY. That I was being called up here again.

Mr. ARMSTRONG. OK. And did you remind Mr. Haldeman that you had the discussion about the legal fees?

Mr. HIGBY. Yes.

Mr. ARMSTRONG. And did Mr. Haldeman recall what amount of funds were being discussed at that time?

Mr. HIGBY. No; I do not believe he did.

Mr. ARMSTRONG. You mentioned \$100,000.

Mr. HIGBY. I know, and after that I thought about it—the reason that figure sticks in my mind, I’m sorry to say, is from independent reading of the newspaper. But no, there was no discussion of funds when I called Mr. Haldeman that I can recall.

Mr. ARMSTRONG. Do you mean amounts?

Mr. HIGBY. Amounts.

Mr. ARMSTRONG. Have you ever had discussions with Mr. Haldeman where amounts were discussed vis-a-vis this prior conversation?

Mr. HIGBY. Not that I can recall; no. The recollection I have of the original conversation on amounts—and it is very vague—was \$400,000. That Bebe had somewhere in the neighborhood of \$400,000 available to assist on legal fees. But, I would sure hate to be held to that.

Mr. ARMSTRONG. Well, did you mention that to Mr. Haldeman as part of your recollection, when you discussed it 2 weeks ago?

Mr. HIGBY. No; I do not believe that I did.

Mr. ARMSTRONG. Did Mr. Haldeman indicate any area of concern with regard to this topic?

Mr. HIGBY. No. In fact, he was very lighthearted. He said, “Yeah, that’s right; we did discuss that.” He has never particularly indicated much in the way of concern anytime I have talked to him.

Mr. LENZNER. Did he indicate whether he had any discussions with anybody else regarding that subject?

Mr. HIGBY. No.

Mr. ARMSTRONG. Whether he had been asked himself about that?

Mr. HIGBY. No; he did not.

Mr. ARMSTRONG. Did he indicate to you 2 weeks ago whether he had made any contacts at any time with Mr. Rebozo with regard to those funds?

Mr. HIGBY. No, he did not; but from just talking to him on the phone occasionally over the past year, I am pretty sure he has not gotten any money from anybody.

Mr. ARMSTRONG. From anybody?

Mr. HIGBY. Yes.

Mr. LENZNER. Are there any other communications with Mr. Halde-
man other than that one 2 weeks ago?

Mr. HIGBY. Yes. I think that I talked to him last week. I had to go, I had two appearances last week before the grand jury and I briefly relayed to him the fact that I was up there—generally what I had been hit on by the grand jury in the areas of questioning.

Mr. LENZNER. Did any of those relate to the Hughes-Rebozo matter?

Mr. HIGBY. No, sir; not at all.

Mr. LENZNER. So you just were advising him of the subject areas being inquired into, is that correct?

Mr. HIGBY. Yes, sir.

Mr. LENZNER. And that was a telephonic communication by you to him.

Mr. HIGBY. Yes.

Mr. LENZNER. Anything else? Any other contacts besides those two?

Mr. HIGBY. With Haldeman?

Mr. LENZNER. Yes, sir.

Mr. HIGBY. Not specifically that I can recall. I called Bob—frankly I try to call him once or twice a week. He is a very good friend.

Mr. LENZNER. I understand.

Mr. HIGBY. The conversations usually are primarily social, although obviously with his deep interest in the Presidency, newspaper accounts eventually do come up. There is never a passage of messages of any sort. He has a very deep interest in my family and often asks how our youngest son is, who was born shortly after he left. That's generally the way it goes. Go ahead. That's about all I can say there.

Mr. LENZNER. And on the conversation 2 weeks ago, the telephonic conversation with regard to the legal fees, he simply confirmed the fact that he also recalled that conversation that he had with you? He did not deny it?

Mr. HIGBY. That is right.

Mr. LENZNER. Did he furnish any additional information at all that you can recall with regard to that conversation?

Mr. HIGBY. He said that he had been asked up by you apparently to discuss the subject, and because of his indictment or the status he was now in, he was not appearing.

Mr. LENZNER. Did he furnish any other information that you can recall regarding Hughes or Rebozo or O'Brien or the legal fees, for that matter?

Mr. HIGBY. No, no. I think I have covered it. I do not think I covered with him the O'Brien part. I think it was—Bebe and money, I think, was the thrust of what I did mention to him.

Mr. LENZNER. So he did not indicate at that time or at any time what the source of the funds were to Mr. Rebozo?

Mr. HIGBY. No. Frankly, I have heard stories since I joined the Nixon operation that Rebozo was a self-made millionaire or something, so I just assumed that it was some of Rebozo's money.

Mr. LENZNER. Have you ever seen anything in writing that referred indirectly or directly to the possible funding by Mr. Rebozo of Mr. Haldeman's legal fees?

Mr. HIGBY. Gee, I sure cannot recall anything now. Do you have anything?

Mr. LENZNER. If we did and you could identify it, we would be glad to show it to you.

Mr. HIGBY. Which is your way of saying "No," I guess?

Mr. LENZNER. Was there any reference made to anybody else's legal fees?

Mr. HIGBY. I thought it was for Bob and John. I think when Bob originally mentioned it to me, he mentioned it to me in the context of both of them, but that is all.

Mr. ARMSTRONG. When you spoke to Mr. Haldeman in the phone call 2 weeks ago, Mr. Haldeman indicated you were correct in your account of the story, which was the same account you gave us today?

Mr. HIGBY. I think he said "Yes, that's right. It did come up." And I think he said, "But I don't know what the source of those funds were." And I said, "I do not either."

Mr. ARMSTRONG. And you mentioned to him that it was your recollection that he had told you that the President had told him that Mr. Rebozo had funds available to him for his legal defense?

Mr. HIGBY. I think that is the way I put it to him, yes.

Mr. ARMSTRONG. And he said that was correct; that was his understanding?

Mr. HIGBY. That is correct.

Mr. LENZNER. And he said he did not know the source of the funds?

Mr. HIGBY. That's right.

Mr. LENZNER. Have you talked—besides Mr. Haldeman and Mr. Buzhardt, have you talked about this subject with anyone else—besides counsel of course?

Mr. HIGBY. Well, I repeated I guess almost verbatim the same thing to Mr. Hauser. We had lunch together today and he had apparently not talked to Mr. Buzhardt, so I went through that with him.

Mr. LENZNER. That is this gentleman [indicating]?

Mr. HIGBY. Yes; that is right. I think that is it, though.

Mr. LENZNER. You have had no contact with Mr. Ehrlichman or any other employees of the White House or former employees of the White House with regard to your coming up here and the subject matters that might be discussed here?

Mr. HIGBY. Not that I can recall. I have not kept it a secret, the fact that I am coming here, so I do not know if I have mentioned to someone I have got to go up to the Senate next Tuesday or whatever today is, Wednesday, to talk about this. But I haven't had any serious conversation.

Mr. ARMSTRONG. We will have this marked for identification as exhibit 6-A and 6-B.

This 6-A is a memorandum from Mr. Colson to Mr. Dean, I believe, dated March 3, 1972, is that right?

Mr. HIGBY. Yes; it is.

Mr. ARMSTRONG. And exhibit 6-B is a memorandum from Mr. Karalekas, Steve Karalekas to Mr. Colson, dated March 3, 1972, which I believe precedes 6-A and was attached to 6-A.

[Whereupon, the documents referred to were marked Higby exhibits Nos. 6-A and 6-B for identification.*]

*See p. 11135.

Mr. HIGBY. Neither one of these ring any bells, and I cannot recall seeing them.

Mr. LENZNER. When you say "ring any bells," we had better clarify that. It is sort of idiomatic. Do you mean that you do not recall—

Mr. HIGBY. Neither memorandum—the physical memorandum—makes me have any recollection, nor the subject matter expressed really in exhibit 6-B, of the specific possibility involving Mr. O'Brien; neither one—

Mr. LENZNER. You mean you have not seen them and you recall no discussion about them?

Mr. HIGBY. I do not recall seeing them.

Mr. ARMSTRONG. Can we have this marked exhibit 7 for identification, a memorandum from Mr. Dean to Mr. Colson, dated April 6, 1972, regarding Mr. O'Brien.

[Whereupon, the document referred to was marked Higby exhibit No. 7 for identification.*]

Mr. HIGBY. This also—I do not recall this memorandum.

Mr. LENZNER. Referring to exhibit—

Mr. HIGBY. Seven, I believe it is marked.

Mr. ARMSTRONG. Prior to January 20, 1969, were you employed by the transition committee? Did you have any role with the transition committee?

Mr. HIGBY. Yes.

Mr. ARMSTRONG. Can you tell us what your duties were there?

Mr. HIGBY. I was essentially a staff assistant, administrative assistant to Mr. Haldeman.

Mr. ARMSTRONG. Who had already assumed his duties as Chief of Staff?

Mr. HIGBY. He was functioning in essentially the same role he was during the campaign, and I was also.

Mr. ARMSTRONG. During that time period, did you have contact with Mr. Herbert Kalmbach?

Mr. HIGBY. During that time period?

Mr. ARMSTRONG. Yes.

Mr. HIGBY. None that I can specifically recall. My Kalmbach association sprung up in the spring of 1969 after I was already at the White House.

Mr. ARMSTRONG. Do you recall any discussion during the transition period, toward the end of the transition period, of Mr. Kalmbach assuming custody as trustee for cash in the balance of the transition funds?

Mr. HIGBY. I cannot recall any at this time, no.

Mr. ARMSTRONG. Do you know if there was any discussion between Mr. Haldeman and Mr. Stans as to who should assume custody of those funds?

Mr. HIGBY. I do not know. All I know is that eventually Kalmbach did end up with at least the responsibility to control funds left over from 1968.

Mr. ARMSTRONG. When and how did you first learn of that?

Mr. HIGBY. The way I learned about it was because we did some

*See p. 11137.

polling, and as I have already testified to and talked to you about, Kalmbach used these moneys apparently to pay for the polling.

Mr. ARMSTRONG. Do you recall when the polling first occurred?

Mr. HIGBY. I do not know if it was late 1969 or early 1970.

Mr. ARMSTRONG. In summary form, can you characterize what your contact with Mr. Kalmbach was from the spring of 1969 through the remainder of 1969?

Mr. HIGBY. The remainder of 1969? It was very heavy in the spring of 1969, because we were setting up the offices in San Clemente and I was responsible for everything not on the President's property, the Government's side of building the office complex, and also for housing our people out there for what was going to be the stay out there that summer. And Kalmbach had been a Newport Beach lawyer for years and apparently knew a lot of people, and I was instructed by, I believe, Mr. Haldeman, to be in touch with Mr. Kalmbach, that he would be very helpful in terms of securing adequate and moderate priced housing, and he was in fact very helpful, and that is how I got to know Herb Kalmbach.

Mr. ARMSTRONG. Do you recall during that period—

Mr. HATSER. What period is this now?

Mr. ARMSTRONG. The spring of 1969. Do you recall if you learned during that period that Mr. Kalmbach had assumed custody of the transition funds?

Mr. HIGBY. Scott, the two events do not mesh. The meshing of Kalmbach and custody of funds and my knowledge of the same goes through the polling route, not through the San Clemente route. And I do not recall when the polling took place, specifically when we first started doing it. I thought during the fall of 1969, but it could have been the spring of 1970.

Mr. ARMSTRONG. Do you recall if Mr. Kalmbach, on his trips to Washington during the spring of 1969, would brief Mr. Haldeman and you would be present for those briefings?

Mr. HIGBY. I do not think he came back much in the spring of 1969. I think he came back in the spring of 1970.

Mr. ARMSTRONG. Do you recall if there were briefings in San Clemente?

Mr. HIGBY. He always wanted to see Haldeman about something, but mostly I think it was in 1970.

Mr. ARMSTRONG. Do you recall on which occasion Mr. Haldeman first spoke to Mr. Kalmbach about the President acquiring property in San Clemente?

Mr. HIGBY. No; I do not.

Mr. ARMSTRONG. Do you recall—are you aware of the financial arrangements that were made for the President's purchase of San Clemente?

Mr. HIGBY. I thought I was, but apparently I was wrong. I thought that the trustees of the foundation purchased most of the property and that the President purchased a small portion. That was the extent of my knowledge at that time of how the arrangements were.

Mr. ARMSTRONG. Do you recall when you first became aware that different arrangements had been made?

Mr. HIGBY. I think when I read it in the newspaper.

Mr. LENZNER. What was the source of your information prior to the newspaper reports?

Mr. HIGBY. I think Haldeman, generally.

Mr. ARMSTRONG. By newspaper reports, are you referring to reports in the summer and fall of 1973?

Mr. HIGBY. Yes.

Mr. ARMSTRONG. Do you recall if there was any discussion of Mr. Abplanalp and Mr. Rebozo going into a joint venture with the President in the purchase of San Clemente?

Mr. HIGBY. No; I do not recall any such—I know, I understood that they were trustees.

Mr. ARMSTRONG. That they were trustees of the foundation?

Mr. HIGBY. Yes; members of the board of directors or something.

Mr. ARMSTRONG. When you say you were under the impression that the trustees had purchased the balance of the property, do you mean in the capacity for the foundation or as individuals?

Mr. HIGBY. No; for the foundation.

Mr. ARMSTRONG. During the spring of 1969, do you recall Mr. Kalmbach briefing Mr. Haldeman and yourself on the subject of Donald Nixon's tax problems?

Mr. HIGBY. No.

Mr. ARMSTRONG. Do you recall Mr. Haldeman relating any of that information to you? Were you aware of any of that?

Mr. HIGBY. Not that I can recall, no. Donald Nixon's tax problems?

Mr. ARMSTRONG. Right.

Mr. HIGBY. No.

Mr. ARMSTRONG. The fact that he was about to undergo an Internal Revenue tax audit?

Mr. HIGBY. No; I have never heard that about Donald Nixon that I can recall.

Mr. ARMSTRONG. Do you recall when you first—in what context you first learned of Arthur Blech, who later became the President's accountant?

Mr. HIGBY. I am not sure. If you hadn't said that, I am not sure that I would have recognized the name.

Mr. ARMSTRONG. Were you aware of Mr. Blech, who later became the President's accountant, having done any work on behalf of the President's relatives prior to being retained by the President.

Mr. HIGBY. Not to my knowledge, no.

Mr. HAUSER. Scott, in order that Mr. Higby could be as helpful as possible, perhaps you could indicate to him the relevance and materiality of this to, as I understand it, the mandate of the committee. I don't see the nexus here between this and the committee's charter.

Mr. ARMSTRONG. OK. Very briefly, the committee is investigating the possible—investigating allegations—that concern over Donald Nixon in turn led to concern over Mr. Henry Greenspun, Herman Greenspun, the publisher of the Las Vegas Sun, and ultimately may have resulted in an alleged plan to break into the safe of Mr. Herman Greenspun which was part of the so-called Gemstone plan.

Mr. HAUSER. Which eventually got involved in 1972, in that election?

Mr. LENZNER. It was discussed, according to Mr. Magruder's testimony, it was discussed in Mr. Mitchell's office in February 1972 when

the Gemstone plan was discussed. And Mr. Mitchell discussed breaking into Mr. Greenspun's safe, and thereafter evidence received by the committee in public testimony and private, Mr. Hunt and Mr. Liddy went to California to meet with various individuals to discuss that plan.

Mr. HAUSER. Maybe it is just my problem. I have a difficult time seeing the relationship between that and election laws and reform of the election laws as a result of the 1972 election. So I would ask that the questions, just for time's sake, be as brief in this area as possible, so that I don't find myself perhaps interposing objections.

Mr. ARMSTRONG. Do you recall during this period, Mr. Higby, the spring of 1969 and later in 1969, Mr. Kalmbach briefing Mr. Haldeman on the activities and business affairs of Mr. Donald Nixon?

Mr. HIGBY. No; I do not. I do not recall that.

Mr. ARMSTRONG. Were you aware of any concern that Mr. Haldeman or Mr. Ehrlichman or others in the administration, or the President himself expressed regarding Mr. Donald Nixon's business activities?

Mr. HIGBY. I was aware in a general way of the fact that Mr. Donald Nixon apparently did have some financial problems and that Mr. Kalmbach was a source, the man assigned to help straighten those financial problems out with Mr. Nixon. That is the extent of my knowledge in that whole area.

Mr. ARMSTRONG. Do you recall how you learned of that?

Mr. HIGBY. I think Haldeman told me.

Mr. ARMSTRONG. Do you recall what the nature of Mr. Donald Nixon's financial problems were?

Mr. HIGBY. Yes; I think Haldeman told me at one time that he spent more than he made.

Mr. ARMSTRONG. Do you recall if there were any specific instances where there was concern about any specific financial difficulties Donald Nixon had gotten into?

Mr. HIGBY. No.

Mr. ARMSTRONG. Do you recall if there was any attempt by Mr. Kalmbach or others to raise funds on behalf of Donald Nixon?

Mr. HIGBY. None that I am aware of.

Mr. ARMSTRONG. Are you aware of any funds from Mr. Kalmbach or any other individual that went to Mr. Donald Nixon?

Mr. HIGBY. Donald Nixon is the older brother, right?

Mr. ARMSTRONG. F. Donald Nixon.

Mr. HIGBY. No.

Mr. LENZNER. Do you have any recollections of any discussions Mr. Haldeman had with you or with others regarding the use of leftover campaign funds in 1969 for Mr. Donald Nixon?

Mr. HIGBY. No, sir. I do not recall any such discussions.

Mr. ARMSTRONG. Just to make the record clear, specifically do you recall Mr. Kalmbach informing Mr. Haldeman that when he had assumed custody of the transition funds and leftover campaign funds from the 1968 campaign, that among the funds there was an envelope marked "Donald Nixon" which had a particular amount of money on it marked on the front of the envelope, and that there was less money in the envelope than was marked on the envelope itself?

Mr. HIGBY. Specifically, I do not recall that. Just so the record is clear, I do recall sitting in on Kalmbach briefings by Haldeman—by Kalmbach or Haldeman. My recollection of them is all in reference to the 1970 campaign. I do not recall anything about the area we have been discussing.

Mr. ARMSTRONG. Do you recall any contact Mr. Haldeman had with other individuals other than Mr. Kalmbach in an effort to assist Mr. Donald Nixon?

Mr. HIGBY. No, sir. I cannot recall any.

Mr. LENZNER. How about Mr. Rebozo? Did his name ever come up in connection with any of Donald Nixon's issues?

Mr. HIGBY. Not that I can recall now.

Mr. ARMSTRONG. Do you recall if Mr. Haldeman mentioned, or are you aware of any funds going from any individuals or from the campaign to Mr. Edward Nixon?

Mr. HIGBY. From the campaign?

Mr. ARMSTRONG. From the campaign or any individuals?

Mr. HIGBY. From campaign or individuals?

Mr. ARMSTRONG. Yes.

Mr. HIGBY. No, I do not.

Mr. ARMSTRONG. Do you recall if Mr. Haldeman was ever informed that Mr. Donald Nixon had been kept on the payroll of the transition committee beyond the life of the committee?

Mr. HIGBY. That Donald Nixon had?

Mr. ARMSTRONG. Excuse me, Edward Nixon had been kept on the payroll of the transition committee beyond the life of the committee in order to tide him over until he found other employment?

Mr. HIGBY. No. Just so we don't go through the whole thing, my knowledge with regard to Ed Nixon was that he was made a consultant for the foundation in 1971, 1972, somewhere in there, and that he was receiving some money, as I understood it, from Kalmbach, as a matter of fact, foundation funds in connection with his being a consultant.

Mr. ARMSTRONG. You are referring to the foundation now as you were referring to it before. You are referring to the Richard Nixon Foundation?

Mr. HIGBY. Yes.

Mr. ARMSTRONG. I think you communicated some request, did you not, from Mr. Nixon to become, or at least be paid, by the Nixon Foundation?

Mr. HIGBY. I am not sure whether I communicated the request or—I think at one point Kalmbach raised the question, and I checked with Haldeman and told him that the arrangement was to continue. But certainly, I did have knowledge of that.

Mr. ARMSTRONG. Do you recall any specific discussion between Mr. Kalmbach and Mr. Haldeman that you were either present for or learned about later regarding outstanding pledges from the 1968 campaign that were to be collected during 1969 or later? I am talking about financial pledges for campaign contributions.

Mr. HIGBY. Left over from 1968?

Mr. ARMSTRONG. Pledges that had not been collected during 1968.

Mr. HIGBY. I cannot recall any in relation to 1968, no.

Mr. ARMSTRONG. Do you recall the collection of a contribution from Mr. E. K. Ludwig?

Mr. HIGBY. The name does not ring a bell.

Mr. LENZNER. You say you can't recall any regarding 1968. Were you aware of any efforts to raise funds for some other purposes in 1969?

Mr. HIGBY. I am not sure if it was 1969 or 1970, but Kalmbach was raising funds, I know, for the 1970 campaign.

Mr. LENZNER. Aside from the 1970 campaign?

Mr. HIGBY. No. That is what I was referring to, Terry.

Mr. LENZNER. Mr. Higby, did you on occasion direct or request Mr. Kalmbach to furnish funds to other individuals other than for purposes of polling?

Mr. HIGBY. Yes, I did.

Mr. LENZNER. And can you tell us what instances those were?

Mr. HIGBY. Well, let me do the ones I recall, and if you have any others, please raise them.

Mr. LENZNER. I will.

Mr. HIGBY. I recall him—none of these were on my own authority. Mr. George Collins joined the White House staff, was in the military and could not afford to live in Washington. He was a very low-level guy in the military. At Mr. Haldeman's request, we made a gift to Mr. Collins of \$1,000 to help him with his moving expenses, I think, and Mr. Kalmbach was asked to do that.

Mr. LENZNER. Do you remember when that was?

Mr. HIGBY. No. Whenever Collins joined the staff. During the 1970 campaign, there was the series of calls to Kalmbach with regard to Governor Brewer in that campaign.

Mr. LENZNER. That was for \$400,000?

Mr. HIGBY. That is what the report is. I cannot independently verify it.

Mr. LENZNER. That was at Mr. Haldeman's direction, also?

Mr. HIGBY. Oh, yes. [Pause.] Those are the two that come to mind. The rest of the stuff in the 1970 campaign, I think, was all directed to Jack Gleason. Do you have any others?

Mr. LENZNER. Yes. Let's leave him aside for a second. First, do you know the source of the \$1,000 for Mr. Collins?

Mr. HIGBY. I think leftover funds that Herb had from the campaign, from a campaign—I am not sure which one.

Mr. LENZNER. Do you recall asking Mr. Kalmbach to furnish approximately \$100,000 in March of 1970 to anybody? I think it was delivered at the Sherry-Netherlands Hotel.

Mr. HIGBY. That was part of the Governor Brewer operation.

Mr. LENZNER. Do you know who the individual was that obtained those funds?

Mr. HIGBY. No, I don't think I did.

Mr. LENZNER. That was also at Mr. Haldeman's direction?

Mr. HIGBY. Yes.

Mr. LENZNER. Do you know who advised the person that received the funds to receive them?

Mr. HIGBY. I believe what's his name—Blount, Red Blount.

Mr. LENZNER. But you did not know the identity and never did know the identity of who was the recipient of those funds?

Mr. HIGBY. No, I think the guy was supposed to be wearing a blue suit or something. I don't recall. There was some way he would be identifiable.

Mr. LENZNER. And you passed those directions on to Mr. Kalmbach?

Mr. HIGBY. Yes, I did.

Mr. LENZNER. May 22, 1970, you again advised him to deliver \$200,000 at the Sherry-Netherlands?

Mr. HIGBY. I don't know. The date doesn't mean anything to me. I know I worked with Mr. Kalmbach on getting some money to Governor Brewer.

Mr. LENZNER. And again, May 25, 1970, instructions that he should deliver \$100,000 to an individual at the Bank of California. Do you recall that?

Mr. HIGBY. Not specifically; no.

Mr. LENZNER. That would make a total of \$400,000. Is that the same money that was delivered to the Brewer campaign?

Mr. HIGBY. I don't know. I do not recall how much was delivered to Brewer.

Mr. LENZNER. Were there any other amounts paid to individuals personally in a similar situation as Mr. Collins for personal expenses that you are aware of?

Mr. HIGBY. No, not that I can recall, no.

Mr. LENZNER. During the transitional period, were there any funds paid to persons which were not Government funds, not public moneys?

Mr. HIGBY. By Kalmbach?

Mr. LENZNER. By anybody that you are aware of.

Mr. HIGBY. I received a gift from Mr. Haldeman to help with my moving expenses, and I think other individuals also did.

Mr. LENZNER. Do you know what the source of those funds were?

Mr. HIGBY. No, I do not.

Mr. LENZNER. Do you know how much Mr. Haldeman paid out for those expenses?

Mr. HIGBY. Well, if he paid out like he did for me, it wouldn't be very much money. I think I got \$1,000 or \$2,000 to handle moving expenses, since the Government cannot pay your moving expenses, and I was told it was a gift to cover those expenses, and that was all there was to it.

Mr. LENZNER. And that would have been in 1969?

Mr. HIGBY. 1968, I think.

Mr. LENZNER. Do you know if Mr. Rebozo had any relationship to furnishing those funds?

Mr. HIGBY. No, I do not.

Mr. LENZNER. Do you know any other individuals who received moving expenses besides yourself?

Mr. HIGBY. I think Haldeman did. I think Ehrlichman did. I think Woods did. I think Chapin did. I am not sure Kenneth Cole did or not.

Mr. LENZNER. Krogh?

Mr. HIGBY. I don't recall that, that would not have been unusual, because he was on staff at that time.

Mr. LENZNER. Would it be fair to say that senior and middle level aides to Mr. Ehrlichman and Haldeman received moving expenses generally?

Mr. HIGBY. I would not be at all surprised if it went below that. Some of the secretaries who had been there quite a while—and I don't think it would be fair to say only Haldeman and Ehrlichman. I think it was kind of the nucleus.

Mr. LENZNER. Mr. Colson and perhaps others?

Mr. HIGBY. Mr. Colson wasn't on at that time.

I don't think he joined until later, and he already lived in Washington.

Mr. LENZNER. Do you have any idea how much was spent on those kinds of expenses?

Mr. HIGBY. No, sir, I don't.

Mr. LENZNER. Did you ever learn that White House funds which were available to pay certain expenses, White House functions, that type of thing, had been totally expended by the Johnson administration and there was a need to raise additional funds for those kinds of purposes?

Mr. HIGBY. Gee, I do not recall that fact. I don't recall that fact one way or another. I recall that there is apparently a Presidential Transition Act, or something like that, and Johnson had taken a certain amount of money and we had taken a certain amount of money out of whatever that pot was.

Mr. LENZNER. In addition to the transitional funds—

Mr. HIGBY. But as I recall, that is not available for moving expenses. It is available for office file movings and that sort of thing, but not personal movings.

Mr. LENZNER. As I understand it, there is a fund for certain events, official events at the White House, and that that fund allegedly was used—totally exhausted by the prior administration—and there was an effort to raise funds privately to replenish that source. Do you know anything about that? Did you ever learn anything about that?

Mr. HIGBY. For official events?

Mr. LENZNER. Social events.

Mr. HIGBY. At the White House?

Mr. LENZNER. Yes.

Mr. HIGBY. I was involved in that area back in 1969. I do not specifically remember that. I remember we wondered at the start of the administration how official events could be paid for, because it did not seem that there was enough money compared to the number of events, until you found out the screwy way that the Government operates, the ropes that are involved there. It was a bit perplexing, and in fact most official events are, in fact, considered State Department functions and that sort of thing.

Mr. LENZNER. Did you ever learn of an effort to raise funds from private contributors to set up, to establish some funds for the White House outside of the regular Government moneys?

Mr. HIGBY. Gee, the only thing that even vaguely connects to that is, I think there was some effort on the part of Mr. Conger or maybe on the part of Mrs. Nixon, with regard to restoring the White House, buying antiques and that sort of thing.

Mr. LENZNER. Did you ever learn that Mr. Rebozo had any role in raising funds for a fund to be used by White House officials for certain expenses?

Mr. HIGBY. Not that I can recall, no.

Mr. LENZNER. Do you know if Mr. Rebozo retained funds or raised funds for any administration expenses beginning January 1, 1969?

Mr. HIGBY. I cannot recall any indication that I, in fact, knew anything. If you can refresh my recollection, I will try.

Mr. LENZNER. I think you are the only one who can answer that question.

Mr. HIGBY. I can recall no such thing.

Mr. ARMSTRONG. Were you aware of expenditures made by Mr. Middendorf out of the transition fund?

Mr. HIGBY. The name sure rings a bell. I don't recall any specific expenditures that he made.

Mr. ARMSTRONG. Do you recall instructing him to make any expenditures?

Mr. HIGBY. No, but it's possible that I did.

Mr. ARMSTRONG. Do you recall two \$2,000 expenditures each that you requested sometime in the spring of 1969?

Mr. HIGBY. I do not. That was 4 or 5 years ago. Do you have anything that indicates that I did? The name Middendorf is familiar.

Mr. ARMSTRONG. Mr. Middendorf had been treasurer of the Republican National Committee. At that time, I believe he was acting as a custodian for the transition fund. I assume that was still technically in his capacity as treasurer of the Republican National Committee, and it is fair to say that it is his recollection that he paid, at your instruction to you, two payments for \$2,000 each.

Mr. HIGBY. For what purpose?

Mr. ARMSTRONG. For a purpose that he was not aware of. He was apparently instructed by Mr. Haldeman to accept your authority to pay out funds.

Mr. HIGBY. We kept an account called "account zero" which was kept by the White House office which was for the purpose of taking care of official expenses that were over and above of what could be taken care of, and those came from the RNC. I did not think it was Middendorf. I thought it was—what was the other guy's name?

Mr. SCHULTZ. Dugan?

Mr. HIGBY. Tom Dugan, is that it?

Mr. LENZNER. Pat Dugan.

Mr. HIGBY. Pat Dugan, yes. But those were for things like when you would go to a place and the hotel bill would be greater than what could be paid for by normal Government rate, and they would not give you a Government rate, and the fund would be used to supplement those sort of things.

Mr. ARMSTRONG. And these were left over from the transition, or do you know the source of those funds?

Mr. HIGBY. I thought they were the RNC's left over from the campaign, or part of the RNC annual budget, because I thought Dugan was the guy at the RNC.

Mr. ARMSTRONG. Do you recall how large this fund was?

Mr. HIGBY. As I recall, it was kept around \$400 or \$500.

Mr. ARMSTRONG. Was it ever any larger than \$10,000?

Mr. HIGBY. I did not think it was ever as large as \$10,000.

Mr. ARMSTRONG. Do you know who kept track of it in the White House?

Mr. HIGBY. I did at first, but I did not actually keep track of it. I wanted to make sure there was no question about it, so I had the accounting office at the White House generally keep track of it and asked them to maintain custody of the funds, I think. But as soon as I moved out in the Haldeman position it became part of the staff secretary's position, I believe Ken Cole then—I am not positive—took control of it. And after that John Brown became staff secretary, and he did, on through the regimes.

Mr. ARMSTRONG. Do you know who you dealt with at the accounting office?

Mr. HIGBY. I think—well, no. I want to say the guy's name was Hauser, was something like Hauser, but he is not there any more.

Mr. HAUSER. As opposed to Dick Hauser, who is here right now.

Mr. HIGBY. Right. He was an older man. He retired, I think, in about 1970.

Mr. LENZNER. Do you say you presently have no recollection of receiving these \$2,000 payments from Mr. Middendorf or some other individual related to these funds?

Mr. HIGBY. Not that amount. I do recall receiving money from Pat Dugan, but I do not recall any from Middendorf.

Mr. LENZNER. Do you remember how much you got from Dugan?

Mr. HIGBY. I thought it was \$500 or \$600.

Mr. LENZNER. Was there a specific purpose for that?

Mr. HIGBY. The purpose of what we called this "account zero" was simply to cover these kind of expenses that I have already related.

Mr. LENZNER. Was there a specific expense item that you were paying off with the Dugan money, or was it just for general purposes you just described?

Mr. HIGBY. The item that comes to mind, and the reason I recall it, is in relation specifically to Key Biscayne. The President used to go down there all the time, and there was no room under \$60 a day down there, and we didn't know the people down there that well, and there was just no way the President could take his staff down there and have any place to stay. And eventually we worked out an arrangement whereby the Key Biscayne Hotel, I think, offered us a Government rate, which kind of obviated the need for those moneys. But by that time I think I was pretty well out of the operation.

Mr. ARMSTRONG. You never directed any funds to be paid to either Edward or Donald Nixon?

Mr. HIGBY. I think I have already testified that I believe I did direct at least a continuation of payment to Edward Nixon in relationship to that consultant matter of the foundation.

Mr. ARMSTRONG. All right, but apart from the foundation funds?

Mr. HIGBY. I cannot recall any.

Mr. ARMSTRONG. Do you recall when you first met Jack Caulfield or became aware of his position on the White House staff?

Mr. HIGBY. I met Jack—well, actually, I met Jack during the summer of 1968, when he was kind of the security guy for the Committee to Nominate Richard Nixon or whatever it was called.

Mr. ARMSTRONG. Do you recall when you first became aware that he was coming on board the White House?

Mr. HIGBY. No, I do not.

Mr. ARMSTRONG. Was it prior to his arrival there, prior to the time that he started work?

Mr. HIGBY. That he was coming on board the White House?

Mr. ARMSTRONG. That he was going to be on the White House staff.

Mr. HIGBY. I do not know when I became aware of that. I think it was after we were already down in Washington. I think he worked for Ehrlichman for a while, as I recall.

Mr. ARMSTRONG. Do you recall what his duties were when he first came on?

Mr. HIGBY. No. He was kind of a research guy for Ehrlichman.

Mr. ARMSTRONG. And were you aware of any specific assignments that he received?

Mr. HIGBY. I cannot recall any at this time.

Mr. ARMSTRONG. Do you recall if you were aware that he had an individual outside of the White House whose services he was authorized to contract for and was being paid for by Mr. Kalmbach?

Mr. HIGBY. The only services I am aware that I can recall that Caulfield had ability to call upon were some services for the purpose of debugging rooms.

Mr. HAUSER. Debugging?

Mr. HIGBY. That's what I said, debugging rooms. It was somebody who had also been in the campaign with us who did that.

Mr. ARMSTRONG. Was that Mr. Reagan?

Mr. HIGBY. Yes, a little short gray-haired guy. Yes.

Mr. ARMSTRONG. Do you know what funds were used to pay Mr. Reagan, or how Mr. Reagan was compensated?

Mr. HIGBY. I do not recall.

Mr. ARMSTRONG. And do you know if Mr. Reagan had any responsibilities assigned to him other than sweeping or debugging rooms?

Mr. HIGBY. Not that I can recall, no.

Mr. ARMSTRONG. Are you aware of any offensive capabilities that Mr. Reagan exercised?

Mr. HIGBY. There was never any discussion of any that I can recall.

Mr. ARMSTRONG. Did there come a time when you became aware of a concern about Joseph Kraft within the White House?

Mr. HIGBY. There was always a concern. There was a general concern about Kraft, because he always wrote such antiadministration columns. But I do not think there came a time when there was a specific concern about Kraft that I can recall.

Mr. ARMSTRONG. Do you recall any concern about Mr. Kraft other than the fact that his columns were antiadministration?

Mr. HIGBY. Not that I can recall.

Mr. ARMSTRONG. Do you recall any concern about leaks to Mr. Kraft?

Mr. HIGBY. I'm not sure if the leaks were—no. I don't specifically, of my own knowledge, recall that. Having read stuff in the paper afterward, obviously, Kraft's name has come up. But no, not from my own knowledge.

Mr. ARMSTRONG. Did there come a time when you became aware of a wiretap on Mr. Kraft?

Mr. HAUSER. I am going to object to Mr. Higby answering any question on wiretaps.

Mr. LENZNER. On what grounds?

Mr. HAUSER. Executive privilege and national security.

Mr. LENZNER. Relating to Joseph Kraft?

Mr. HAUSER. In any wiretap area at all.

Mr. ARMSTRONG. Did there come a time when you became aware of an illegal wiretap on Mr. Joseph Kraft?

Mr. HAUSER. I raise the same objection.

Mr. HIGBY. I have never been aware of an illegal wiretap, other than what has been published in the press.

Mr. ARMSTRONG. I want to understand Mr. Hauser's objection. Is it your position that illegal wiretaps are covered by executive privilege?

Mr. HAUSER. Well, I am raising the objection and I will instruct him not to answer any questions about wiretaps, whether we characterize them here as being legal or illegal.

Mr. LENZNER. In view of the fact that Senator Ervin and the committee have taken a firm position that illegal activities are not covered or protected by executive privilege, I would ask whether proper authorization by statutory authorities implemented a wiretap on Mr. Kraft, in violation of the law.

Mr. HAUSER. I would raise the same question notwithstanding the chairman's statements. I do not know if the subject or the characterization of whether or not a tap, if there was a tap, was legal or illegal, is something that you or I or the chairman as such can resolve amongst ourselves. I mean, you can call it an illegal one; I can call it legal or call it nonexistent, but it does not really have any legal import, I don't think.

Mr. ARMSTRONG. I'm not absolutely positive, but I believe we discussed the Joseph Kraft wiretap in the past in the presence of White House counsel without objection. Can you take a second and consult with your office?

Mr. HAUSER. I can. Can you give me some indication of where you are going with this once again?

Mr. LENZNER. I don't think we have to do that, because this subject has been propounded to a variety of witnesses.

Mr. HAUSER. Shall we go on, and then I can check? That might be more expedient.

Mr. LENZNER. I take it, Mr. Hauser, that you would instruct the witness or your client not to answer any questions also relating to Donald Nixon's wiretap.

Mr. HAUSER. That is correct.

Mr. LENZNER. We have that on the record. Let me ask you this, Mr. Hauser, since we are into this problem. Are you representing Mr. Higby today?

Mr. HAUSER. I am representing the White House as such under the rules and also Mr. Higby in any area in which there is that kind of an overlap. I am not retained by Mr. Higby. I am on the staff of the White House counsel's office.

Mr. ARMSTRONG. Is Mr. Hauser here at your request, Mr. Higby?

Mr. HIGBY. He is here with my total concurrence, not with my specific request, no.

Mr. LENZNER. We will reserve that issue, and if you can contact your office, because I believe this may be a problem that can be resolved, and there is no sense of beating it over the head. You can get a ruling from your office. Otherwise, it may be necessary to bring Mr. Higby back and have a direction from the chairman on it.

I think, for the record, we propounded those questions or similar questions to Mr. Haig with Mr. Buzhardt present. And you might check with Buzhardt on that, and General Haig answered them. I think that is right.

Mr. HAUSER. I will be glad to check.

Mr. LENZNER. I will check the transcript on that.

Mr. HIGBY. When shall we check?

Ms. SHEKETOFF. He refused to answer the questions on Donald Nixon asserting national security.

Mr. ARMSTRONG. We will go to another area and come back to that.

Other than Mr. Reagan, were you aware of any other individuals that Mr. Caulfield employed?

Mr. HIGBY. No; I am not.

Mr. ARMSTRONG. Did there come a time when you became aware that Mr. Ulasewicz had been employed by Mr. Caulfield?

Mr. HIGBY. Yes; I did.

Mr. ARMSTRONG. When was that?

Mr. HIGBY. When he appeared at the hearings.

Mr. ARMSTRONG. Were you aware of any requests by Mr. Haldeman or others in the White House, for Mr. Caulfield or for Mr. Ehrlichman to investigate the incidents surrounding the so-called Chappaquiddick incident involving Senator Edward Kennedy?

Mr. HIGBY. I am not sure I am aware of any request. I think that—no.

Mr. ARMSTRONG. Were you aware of any investigations involving the circumstances around Chappaquiddick?

Mr. HIGBY. I'm not sure if I read that in the paper. I thought Colson had some information on what had happened up there, but I am not sure if I am aware of a specific request or a specific investigation or not.

Mr. ARMSTRONG. Do you recall if you authorized or you learned that Mr. Haldeman had authorized any funds expended on behalf of Mr. Caulfield by Mr. Kalmbach?

Mr. HIGBY. I cannot call any at this time.

Mr. ARMSTRONG. Were you aware of any funds being transferred from Mr. Rebozo to Mr. Kalmbach?

Mr. HIGBY. Rebozo to Kalmbach?

Mr. ARMSTRONG. For paying expenses of Mr. Caulfield?

Mr. HIGBY. Not that I can recall at this time.

Mr. ARMSTRONG. Were you aware of any transfers of funds from Mr. Rebozo to Mr. Kalmbach at any time?

Mr. HIGBY. I do not believe so.

Mr. ARMSTRONG. We will have this identified as exhibit 8.

[Whereupon, the document referred to was marked Higby exhibit No. 8, for identification.*]

Mr. HIGBY. OK. I have read this.

*Previously published in book 3 as exhibit No. 34-4, p. 1117.

Mr. ARMSTRONG. And have you seen that memorandum before? Can you identify that?

Mr. HIGBY. Yes, I have.

Mr. ARMSTRONG. Can you tell us the sum and substance of your knowledge about that memorandum?

Mr. HIGBY. I am not sure if I saw it before. I think you gave it to me one time when I was up here for an interview.

Mr. ARMSTRONG. And do you recall if you had seen it prior to that time?

Mr. HIGBY. No, I do not. I am not sure if I had seen it before or not.

Mr. ARMSTRONG. Just for the record, can you just read the title?

Mr. HIGBY. I'm not sure if I've seen exhibit 8 before or not, aside from the time that I believe Mr. Armstrong presented it to me one time when I was up here for an interview.

Mr. ARMSTRONG. Can you just read the title of the memorandum?

Mr. HIGBY. Subject: EMK visit to Honolulu, August 17-19, 1971. I think I did see this before, besides the time you gave it to me.

Mr. ARMSTRONG. Referring to the substance of the memorandum, do you recall the investigation of the events described in the memorandum?

Mr. HIGBY. No. It is pure speculation whether I am mixing this with independent knowledge or with you giving this to me before. This was a year ago when we first went through this Dean material.

Mr. LENZNER. Do you have any recollection of ever seeing any memorandum relating to Mr. Rebozo at the White House?

Mr. HIGBY. A memorandum relating to Mr. Rebozo at the White House?

Mr. LENZNER. A memorandum at the White House relating to Mr. Rebozo.

Mr. HIGBY. A memorandum at the White House relating to Mr. Rebozo? I think Dean sent over a memorandum or two to Haldeman about the fact that Rebozo was being investigated by Newsday and that they had spent months on it, or something like that, the investigation.

Mr. LENZNER. Do you know what action was taken as a result of the memorandum?

Mr. HIGBY. No; I am not sure that I did.

Mr. LENZNER. Did you have any discussion with Mr. Haldeman in terms of this memorandum?

Mr. HIGBY. I am sure that I did. I don't recall the specifics of any of them.

Mr. LENZNER. Do you have a recollection of seeing any memorandum relating to any funds Mr. Rebozo was raising or had in his possession?

Mr. HIGBY. Gee, I sure can't recall any.

Mr. ARMSTRONG. Could we have this marked exhibit 9?

[Whereupon, the documents referred to were marked Higby exhibits Nos. 9-A and 9-B for identification.*]

Mr. ARMSTRONG. And can you tell us in what context you recall having seen those?

Mr. HIGBY. I am not sure if you presented me with these when I was up here before about a year ago, or if I saw them as part of the

*See pp. 11138-39.

Dean exhibits when I was going through all of Mr. Dean's testimony, since my name had been mentioned so many times. I think that's the context I have seen those two items, exhibits 9A and 9B.

Mr. ARMSTRONG. Do you recall from the substance of the memorandum if you have any independent recollection of that?

Mr. HIGBY. None that I can recall, no.

Does that have anything to do with Rebozo?

Mr. ARMSTRONG. We believe it may have some connection.

Mr. HIGBY. I see.

Mr. ARMSTRONG. Were you aware of any concern on Mr. Rebozo's part about Senator Edward Kennedy?

Mr. HIGBY. Senator Edward Kennedy?

Mr. ARMSTRONG. [Nods in the affirmative].

Mr. HIGBY. No. I know that Bebe had a general dislike, and I am not sure how I picked it up, of the Kennedys. I had assumed that it was as the result of the 1960 campaign.

Mr. ARMSTRONG. Can you tell us how you learned of that?

Mr. HIGBY. No; I can't.

Mr. ARMSTRONG. Or in what way that dislike might have manifested itself?

Mr. HIGBY. No. I just think that he mentioned the Kennedys a time or two in my presence.

Mr. ARMSTRONG. Do you recall if Mr. Rebozo had requested any investigations of the Kennedys or suggested any investigations of the Kennedys?

Mr. HIGBY. To my knowledge, he had not. I can recall nothing.

Mr. ARMSTRONG. Are you aware of any investigations that Mr. Ehrlichman or Haldeman have conducted of the Kennedys, other than what you have read in these two memorandums?

Mr. HIGBY. When I was up here a year ago, you told me that I authorized a 24-hour surveillance of Kennedy, and Dean testified to it the next day. I have wracked my brain, and I can still not remember doing that, but apparently there was some effort underway there.

Mr. ARMSTRONG. But you have no independent knowledge of that?

Mr. HIGBY. Aside from exhibits—

Mr. ARMSTRONG. Aside from what you learned from Mr. Dean's testimony?

Mr. HIGBY. Or exhibits presented, no.

Mr. LENZNER. Do you have any recollection of Mr. Rebozo, relating to the interest in investigations, and efforts that the White House made to obtain information on the Chappaquiddick incident?

Mr. HIGBY. I don't recall any, Terry, no. I don't recall any occasion of Rebozo making any specific inquiry about the Kennedys.

Mr. LENZNER. Not a specific inquiry, but he had, or played a role in the White House's efforts to obtain information on the Chappaquiddick incident?

Mr. HIGBY. No; I was not aware of that.

Mr. LENZNER. Did you have any responsibilities for any expenses incurred at the President's homes in either San Clemente or Key Biscayne?

Mr. HIGBY. Expenses incurred?

Mr. LENZNER. Yes, sir.

Mr. HIGBY. Not that I can recall for his home, no.

Mr. LENZNER. I am talking not about the public problems but the private problems.

Mr. HIGBY. That is why I specifically queried you. No, I cannot recall any. There was a controversy when we were building the whole complex out in San Clemente, and at that time there was a specific decision made between Mr. Haldeman and Mr. Ehrlichman that I would handle all the staff and public facilities and that Mr. Ehrlichman would handle all of the private facilities. And the fence was the dividing line in terms of our responsibilities.

Now, I know upon occasion Kalmbach has mentioned to me, I think one time when the President was going to go out there, there was a question of whether or not the kitchen would be done in time and how much it would cost. This was in 1970 or 1971. They were doing some remodeling work. But that is about the only occasion I can recall there.

Mr. LENZNER. Do you have any information regarding whether Mr. Rebozo or any other individual furnished any funds for expense items paid for at San Clemente for expenditures incurred at San Clemente?

Mr. HIGBY. Expenditures incurred at San Clemente?

Mr. LENZNER. Yes.

Mr. HIGBY. Whether Rebozo furnished them? I don't know. The only possibility I would have knowledge of there is, if by chance he were a member of that—I think the group was called the Friends of Nixon. They built a golf course out there, pitch and putt or something.

Mr. LENZNER. Any other areas?

Mr. HIGBY. Not that I recall, no.

Mr. LENZNER. What about Key Biscayne?

Were you ever aware, or did you ever learn or receive any information that Mr. Rebozo or any private individual furnished funds and paid for or assumed liability for any expenditures on the Key Biscayne property of the President?

Mr. HIGBY. I cannot recall any at this time, Terry.

Mr. LENZNER. Let me show you a memorandum dated January 12, 1970, which has your name on it, and ask you what item 1 relates to, and we will have it marked after your answer.

Mr. HIGBY. Yes. Go ahead. Ask whatever question you want to ask.

My name apparently is only on here once. I think what they are referring to here, Terry, although I am not positive, is the removal of the pool in the west wing and the conversion of that whole project to the press office, where the press office is now located.

Mr. LENZNER. It does not relate to San Clemente or Key Biscayne?

Mr. HIGBY. I don't know anything about Key Biscayne, but I know in San Clemente, I think, the pool was completed in the summer of 1969. I think these are all White House-related items here.

Mr. LENZNER. Just for reference, let's have that marked exhibit 10. [Whereupon, the document referred to was marked as Higby exhibit No. 10.*]

*See p. 11140.

Mr. ARMSTRONG. Mr. Higby, do you recall an investigation by Newsday newspaper in Long Island, N.Y., of Mr. Rebozo?

Mr. HIGBY. Yes, I do.

Mr. ARMSTRONG. Do you recall if, prior to the publication of the stories about Mr. Rebozo, if Mr. Rebozo raised with Mr. Haldeman, the President, or any other White House official, any questions regarding that investigation?

Mr. HIGBY. Most of the traffic I was aware of on that was between Dean and Haldeman.

Mr. ARMSTRONG. Can you tell us what you were aware of in that subject?

Mr. HIGBY. That Dean became generally aware of the investigation, and he would update Haldeman on what they were probing into. And I think there was one thing about the incredible amount of money they had spent on the investigation. They had had four men assigned to it for 12 weeks or something like that.

Mr. ARMSTRONG. Do you recall if there was any investigation of the staff that were performing the Newsday investigation?

Mr. HIGBY. No. I think there was a general awareness of who they were, and for some reason the name "Schram" stands out for me.

Mr. ARMSTRONG. Let me have this marked as exhibit 11.

[Whereupon, the documents referred to were marked as Higby exhibits Nos. 11-A and 11-B.*]

Mr. HIGBY. The general substance of exhibit 11-A makes sense in that we were concerned about when the article was going to be published and who the people were in it.

The general substance of exhibit 11-B I have no recollection of and don't believe I was ever aware—

Mr. ARMSTRONG. Just for the record, exhibit 11-B was a memorandum to Mr. Caulfield from Mr. Dean on October 14, 1971, relating to the Newsday article supposedly financed by the Kennedy Foundation.

Were you aware of Mr. Ehrlichman assigning any member of his staff to go down and interview Mr. Rebozo to find out what, if any, substance there might be to some of the Newsday allegations?

Mr. HIGBY. I don't believe I was, Mr. Scott. I don't recall it at this time.

Mr. ARMSTRONG. Or Mr. Fred Fielding visiting Mr. Rebozo down there and requesting additional information of Mr. Rebozo?

Mr. HIGBY. I do not recall that. I thought Mr.—well, no. No, I don't recall.

Mr. ARMSTRONG. You started to say Mr.—

Mr. HIGBY. I thought that maybe Dean and Rebozo had talked once, but I am not really sure of that. I just know that Dean was handling that whole matter for the White House.

Mr. ARMSTRONG. Were you aware of any responsibilities that Mr. Lyn Nofziger had, relating to the Newsday—N-o-f-z-i-g-e-r?

Mr. HIGBY. None that I can recall at this time. He worked in press-related areas like that, but I do not recall any specific responsibilities he had at this time.

Mr. ARMSTRONG. May we have marked as exhibits 12-A and 12-B, two memorandums, one from Mr. Caulfield to Mr. Dean on November 2,

*See pp. 11143-44.

1971, and the other for John Dean from David Wilson, dated December 1, 1971.

[Whereupon, the documents referred to were marked as Higby exhibits Nos. 12-A and 12-B, for identification.*]

Mr. HIGBY. I do not recall ever seeing either one of these memorandums. Be it noted here I am referring to exhibits 12-A and 12-B.

Mr. ARMSTRONG. Are you acquainted with the substance of either memorandum?

Mr. HIGBY. No, I do not believe so.

Mr. ARMSTRONG. Do you have any knowledge about the references made in the last sentence of exhibit 11-A?

Mr. HIGBY. Do you mean 12-A?

Mr. ARMSTRONG. 12-A, regarding the Newsday project?

Mr. HIGBY. No, what I would interpret the Newsday project to be—would be the fact that Newsday was investigating Rebozo, which I have already indicated to you I was aware of.

Mr. ARMSTRONG. In the course of your duties in the White House, do you recall seeing any memorandum relating to Howard Hughes or the Hughes Tool Co.?

Mr. HIGBY. I cannot recall any at this time.

Mr. ARMSTRONG. Do you recall a memorandum relating to the TWA litigation that the Hughes Tool Co. was going through at that time?

Mr. HIGBY. Not at this time, no.

Mr. ARMSTRONG. Or the acquisition of the Dunes Hotel?

Mr. HIGBY. No.

Mr. ARMSTRONG. Or to a suggestion by the President that Dr. Kissinger visit Mr. Hughes and brief him on the subject of ABM—the Government's ABM policy?

Mr. HIGBY. I do not recall such a thing. It's not impossible, but I don't recall it.

Mr. ARMSTRONG. Other than Mr. Chapin's reference that Mr. Hughes and Mr. Rebozo were somehow acquainted, do you recall if Mr. Kalmbach or anyone else mentioned any association between Mr. Hughes and Mr. Rebozo?

Mr. HIGBY. With Hughes and Rebozo? No. Kalmbach I thought was in touch with one of—I think I recall him reporting once that he was in touch with one of Hughes' associates with regard to possible campaign contributions.

Mr. ARMSTRONG. Do you recall when that was?

Mr. HIGBY. No. I would guess it would be 1970, because I don't think I recall anything like that from the 1972 campaign, but it could have been.

Mr. ARMSTRONG. Do you recall who of Mr. Hughes' associates it might have been?

Mr. HIGBY. No.

Mr. ARMSTRONG. Do you recall what the result of that contact was?

Mr. HIGBY. No.

Mr. ARMSTRONG. Do you recall from whom you learned it?

Mr. HIGBY. I think from Kalmbach one time when he was briefing Haldeman.

Mr. ARMSTRONG. Would this have been a meeting in which you would have taken notes?

*See pp. 11145-46.

Mr. HIGBY. Probably not—of the contribution stuff, no.

Mr. ARMSTRONG. Do you recall if Mr. Kalmbach was given any directions by Mr. Haldeman as to whether or not to continue to try to raise funds from the Hughes organization or Mr. Hughes?

Mr. HIGBY. No, I do not.

Mr. ARMSTRONG. Were you aware of any fundraising responsibilities that Mr. Rebozo had in either the 1968 campaign or the 1972 campaign?

Mr. HIGBY. You have asked me that three times. No, I don't think that I was.

Mr. ARMSTRONG. And were you aware, at any time, of any funds that Mr. Rebozo received from any campaign contributor during that time, prior to press accounts last summer and fall?

Mr. HIGBY. I do not believe so, Scott, no.

Mr. ARMSTRONG. Were you aware of campaign contributions from Mr. Pappas, Tom Pappas?

Mr. HIGBY. I don't think so, no.

Mr. ARMSTRONG. Or J. Paul Getty?

Mr. HIGBY. Kalmbach might have mentioned each of their names in reporting to Haldeman on his fundraising ability or successes, but I do not specifically recall them.

Mr. ARMSTRONG. Do you recall if Kalmbach ever reported that Mr. Rebozo had given him names of individuals to contact?

Mr. HIGBY. Not that I can recall, no.

Mr. ARMSTRONG. Do you recall if you learned of any contributions by Mr. A. D. Davis or Mr. J. E. Davis of the Winn-Dixie Corp.?

Mr. HIGBY. Neither one of those names mean anything to me except having seen them in the paper, I believe yesterday or the day before.

Mr. ARMSTRONG. Do you recall any concern in the White House about the association between Mr. F. Donald Nixon and Mr. John Meier, M-e-i-e-r?

Mr. HIGBY. John Meier?

Mr. ARMSTRONG. Of the Hughes Tool Co.

Mr. HIGBY. Not that I recall, no.

Mr. ARMSTRONG. Do you recall any instructions by Mr. Haldeman to anyone, regarding the fact that Mr. Donald Nixon should be instructed himself, not to associate with John Meier or any other individual?

Mr. HIGBY. I don't recall any specific instructions. The only thing I recall about that is what I related to you. I don't recall any specific names associated with it.

Mr. ARMSTRONG. Are you acquainted with Mr. Stanley McKiernan—Mr. Donald Nixon and Mr. Edward Nixon's lawyer?

Mr. HIGBY. No, sir.

Mr. ARMSTRONG. Are you aware of preparation of a briefing book on the Nixon brothers as to their potential campaign liabilities? This was during the 1972 campaign.

Mr. HIGBY. No, sir.

Mr. ARMSTRONG. Returning to the Richard Nixon Foundation, can you tell us what your knowledge is, of the employment by the Richard Nixon Foundation, of Mr. Edward Nixon?

Mr. HIGBY. Simply that Ed was employed by the Foundation at some rate on a consultant basis, I believe, at some rate—I thought \$1,500 a month; is that right?

Mr. ARMSTRONG. I think you are correct.

Mr. HIGBY. For the purpose of consulting and visiting various potential sites, library sites, I believe. And also, I believe, he did some mediating in terms of talking to some of the people in Whittier, who very much wanted it to be in Whittier; and that sort of thing.

Mr. ARMSTRONG. Do you know whose suggestion it was initially that he should be employed by the Nixon Foundation?

Mr. HIGBY. [Nods negatively.]

Mr. ARMSTRONG. Did you, or to your knowledge, did Mr. Haldeman give any instructions that he was to be employed?

Mr. HIGBY. I can recall no instructions. I am not sure if the instructions were to employ him or to continue employment. My recollection is, it was to continue employment. I think Kalmbach raised the question with me at one point in time as to whether or not his employment should continue, and I raised the question with Mr. Haldeman, and I think he subsequently informed me that it should.

Mr. ARMSTRONG. And did you in turn relay that to Mr. Kalmbach?

Mr. HIGBY. I believe so; yes.

Mr. ARMSTRONG. Did you relay that to anyone else?

Mr. HIGBY. I don't believe so; no.

Mr. ARMSTRONG. Did you ever have any discussions with Mr. Leonard Firestone?

Mr. HIGBY. No, sir; although I think I understood from Kalmbach that Firestone was the kind of the guy that Edward Nixon checked in with on, I assumed, this matter.

Mr. ARMSTRONG. And did you ever become aware of any instructions to Mr. Firestone, directions to Mr. Firestone, or requests of Mr. Firestone, that he should employ any other individuals?

Mr. HIGBY. There was discussion as to whether or not Messrs. Haldeman and Ehrlichman should not be employed, when they resigned from the White House, by the foundation for the purpose of the papers. And the next thing I knew—this was general discussion within the White House between me and Mr. Haldeman—and I think the next thing I knew about it, Firestone had come out in the paper saying that under no circumstances would they be employed. This is 1973.

Mr. ARMSTRONG. This would have been in the period of April or May of 1973?

Mr. HIGBY. Yes.

Mr. ARMSTRONG. Prior or subsequent to Mr. Haldeman's departure from the White House?

Mr. HIGBY. It may have been discussed prior to his departure, but it was right around that time.

Mr. ARMSTRONG. Right around April 30, 1973?

Mr. HIGBY. Right.

Mr. ARMSTRONG. You say you learned of this in discussions with Mr. Haldeman?

Mr. HIGBY. I believe so; yes.

Mr. ARMSTRONG. Did you have any contact with Mr. Firestone in this matter?

Mr. HIGBY. No; and I do not believe Haldeman did either.

Mr. ARMSTRONG. Did he indicate that anyone had?

Mr. HIGBY. To my knowledge, he did not. Pardon me; to the best of my recollection, he did not. Didn't we go over this before, Scott?

Mr. ARMSTRONG. Off the record.

[Discussion off the record.]

Mr. ARMSTRONG. Back on the record. You say that you were not aware of any call by Mr. Ehrlichman to Mr. Firestone instructing him to put Mr. Haldeman on the payroll?

Mr. HIGBY. No, sir; not that I can recall. Why, is that indicated there?

Mr. ARMSTRONG. No; you have not indicated that to us at any prior time. Are you familiar with the corporation, Resorts International?

Mr. HIGBY. No; I am not familiar with that name.

Mr. ARMSTRONG. Or Paradise Island?

Mr. HIGBY. Yes.

Mr. ARMSTRONG. And Resorts is the corporation which owns Paradise Island.

Mr. HIGBY. It is?

Mr. ARMSTRONG. It is. Mr. James Crosby—are you familiar—

Mr. HIGBY. Chapin mentioned his name as one of the President's friends. Jimmy Crosby, they call him.

Mr. ARMSTRONG. Or Jack Davis; that is the other principal.

Mr. HIGBY. That name does not ring a bell.

Mr. ARMSTRONG. Do you recall if, in 1969, there was any discussion in the White House that you were aware of or if you saw any memorandums reflecting a concern about pending legislation that would have forced Resorts International to dispose of their stock in Pan American Airlines?

Mr. HIGBY. No, sir; I do not recall any.

Mr. ARMSTRONG. Do you recall Mr. Kalmbach reporting on that subject?

Mr. HIGBY. I do not.

Mr. ARMSTRONG. Do you recall Mr. Rebozo raising any questions of Mr. Haldeman regarding the administration's position regarding Resorts International?

Mr. HIGBY. No, sir; I do not.

Mr. ARMSTRONG. Subsequent to learning—you say you learned of the Hughes contribution to Mr. Rebozo through press accounts in the fall of 1973?

Mr. HIGBY. I do not know. Whenever it came into the paper. I thought it was the spring of this year. Was it the fall of last year?

Mr. ARMSTRONG. I believe there were some press accounts at that time.

Mr. HIGBY. OK.

Mr. ARMSTRONG. In August of 1971, Jack Anderson printed a column in which he discussed the fact that Mr. Danner, on behalf of Mr. Hughes, had transmitted a \$100,000 contribution to Mr. Rebozo. Do you recall seeing that column?

Mr. HIGBY. No, I do not.

Mr. ARMSTRONG. Do you recall if Mr. Kalmbach had been assigned to visit Mr. Herman Greenspun?

Mr. HIGBY. No, I do not.

Mr. ARMSTRONG. Regarding this contribution? Or a question Mr. Greenspun had raised about it?

Mr. HIGBY. No, sir; I do not.

Mr. ARMSTRONG. Were you aware of any question——

Mr. HIGBY. I do not recall. When I say, "I do not," that is what I am referring to.

Mr. ARMSTRONG. Are you aware of any question Mr. Greenspun had raised regarding the contribution?

Mr. HIGBY. I am not aware of who Mr. Greenspun is.

Mr. ARMSTRONG. The publisher of the Las Vegas Sun.

Mr. HIGBY. No, I am not aware of any questions. I don't recall any questions being raised by Mr. Greenspun.

Mr. ARMSTRONG. Were you aware of any inquiries being raised about contributions of Howard Hughes prior to the press reports?

Mr. HIGBY. I cannot recall any, Scott, other than what I have already related to you.

Mr. ARMSTRONG. Were you aware of Mr. Haldeman at any time, or Mr. Ehrlichman at any time, instructing Mr. Kalmbach to visit Mr. Greenspun for any reason?

Mr. HIGBY. I can recall no such instruction being given.

Mr. ARMSTRONG. Or Mr. Kalmbach visiting with Mr. Edward P. Morgan, regarding a contribution from Mr. Hughes?

Mr. HIGBY. I cannot recall any.

Mr. ARMSTRONG. Are you familiar with Mr. Edward P. Morgan?

Mr. HIGBY. No.

Mr. ARMSTRONG. He was an attorney for Mr. Hughes, and was a local attorney.

Mr. HIGBY. I do not recall his name coming up.

Mr. ARMSTRONG. Subsequent to your first knowledge through the press of the Hughes contribution to Mr. Rebozo, have you had any discussions with any present or former employees in the White House on that subject?

Mr. HIGBY. Other than what we have discussed?

Mr. ARMSTRONG. Other than what we have discussed today.

Mr. HIGBY. No; no, sir.

Mr. ARMSTRONG. Are you aware of a meeting between Mr. Richard Danner, the President, and Mr. Rebozo at Camp David on March 20, 1973?

Mr. HIGBY. Other than learning about it in the press, no, sir.

Mr. ARMSTRONG. Are you aware of any assets which the President has which were not disclosed in the Cooper-Lybrand report?

Mr. HIGBY. I have not looked in any detail at the Cooper-Lybrand report. I am not generally aware of the President's assets, though.

Mr. ARMSTRONG. Are you aware of any presently undisclosed assets?

Mr. HIGBY. No, sir; I am not.

Mr. ARMSTRONG. And are you, other than what you might have inferred from Mr. Haldeman's comments regarding the availability of legal defense funds for Mr. Rebozo, are you aware of any undisclosed assets that Mr. Rebozo holds?

Mr. HIGBY. No, sir; I am not. We ought to, just to be clear—I am not aware of what the extent of Mr. Rebozo's assets are. I am not sure which of his assets are disclosed or undisclosed.

Mr. ARMSTRONG. You have never had any of Mr. Rebozo's assets described to you as hidden or undisclosed assets?

Mr. HIGBY. No, sir.

Mr. ARMSTRONG. Other than the tape with the so-called 18-minute gap, are you aware of any other erasures, gaps, or alterations of any tapes of the Presidential taping system?

Mr. HIGBY. Other than what has been reported in the press, no.

Mr. ARMSTRONG. There have been reports in the press about gaps in tapes other than the tape with the 18-minute gap. Are you aware of the substance of any of those charges or allegations?

Mr. HIGBY. No, I am not.

Mr. ARMSTRONG. Off the record.

[Discussion off the record.]

Mr. ARMSTRONG. Back on the record.

Do you have any knowledge relating to a plan or an actual attempt to break into the premises of Herman Greenspun, publisher of the Las Vegas Sun? His home or office?

Mr. HIGBY. Other than what I read in the paper, no; I do not.

Mr. ARMSTRONG. Have you read the transcripts that were released to the House Judiciary Committee?

Mr. HIGBY. No; I have not.

Mr. ARMSTRONG. Well, there is one reference—I don't have it with me—but there is one reference in the transcript—the President, and Mr. Haldeman, and Mr. Ehrlichman are discussing the fact that Mr. Colson has briefed Mr. Ehrlichman on this alleged break-in. Do you have any knowledge as to Mr. Colson's briefing of the President, Mr. Haldeman, or Mr. Ehrlichman?

Mr. HIGBY. No; I do not.

Mr. ARMSTRONG. Did there come a time when you became aware that the Internal Revenue Service was about to initiate an investigation of Mr. Rebozo or any audit of Mr. Rebozo?

Mr. HIGBY. I am not sure if I read it in the paper or if I became aware of it independently. It was last year, is what I recall.

Mr. ARMSTRONG. Do you recall if you learned of this before Mr. Haldeman left the White House?

Mr. HIGBY. I do not; no.

Mr. ARMSTRONG. Do you recall—if you are aware, of an Internal Revenue Service project which involved an investigation of the Hughes Tool Co., and the disposition of various funds for political contributions?

Mr. HIGBY. I do not believe I was. I do not recall being aware of that.

Mr. ARMSTRONG. Did you ever communicate with Mr. Rebozo regarding any Internal Revenue Service investigation?

Mr. HIGBY. No; I do not believe so.

Mr. ARMSTRONG. Were you aware—

Mr. HIGBY. Pardon me?

Mr. ARMSTRONG. Were you aware of any contact between Mr. Haldeman and Mr. Ehrlichman, or the President and Mr. Rebozo regarding an Internal Revenue Service investigation?

Mr. HIGBY. I cannot recall any now.

Mr. ARMSTRONG. Have you had any conversations recently on that subject?

Mr. HIGBY. No.

Mr. ARMSTRONG. I have one more question, but it fits better after this; so why don't you go ahead.

Mr. LENZNER. Did you ever hear any discussions of any vulnerability that Rebozo had, any areas of concern that Mr. Haldeman or Mr. Ehrlichman had with regard to Mr. Rebozo?

Mr. HIGBY. No.

Mr. LENZNER. I am not sure we asked this question flat out—do you know whether Mr. Haldeman or Mr. Ehrlichman or any other individuals have received any funds from other individuals for their legal expenses or expenses incurred after they left the White House?

Mr. HIGBY. No. I am not aware—wait. Yes, I am. I have an understanding—I don't have any firsthand knowledge.

Mr. LENZNER. What do you understand?

Mr. HIGBY. I understand that Mr.—this is kind of unfair, because these poor guys are really—off the record, please, for a moment.

[Discussion off the record.]

Mr. HIGBY. Now I can go back on the record.

No, I am not aware of any funds, just pure grants, being given to either Mr. Haldeman or Mr. Ehrlichman since they left the White House.

Mr. LENZNER. Or moneys made available to them for expenses they incurred, other than compensation for work that they had done?

Mr. HIGBY. No, I am not.

Mr. LENZNER. Then I take it you are not aware whether Mr. Ehrlichman or Mr. Haldeman received funds from Mr. Rebozo?

Mr. HIGBY. No, I am not specifically aware. To the best of my knowledge and a general impression I received from talking to Mr. Haldeman—and I cannot vouch for Mr. Ehrlichman's situation—is that he has received funds from no one.

Mr. LENZNER. Do you know that explicitly, or is it an impression?

Mr. HIGBY. It is an impression, Terry.

Mr. LENZNER. And when you talked to him the last couple of weeks, he has not indicated specifically that he has or has not received specific funds from Mr. Rebozo?

Mr. HIGBY. No, but the strong impression is that he has not received any from Mr. Rebozo; because he has talked to me a couple of times about how he is starting to go through the necessary steps to set up a legal defense fund. I do not think, up until a week ago, he even had one set up.

Mr. LENZNER. Has Mr. Rebozo's name come up in connection with the legal defense?

Mr. HIGBY. No. Mr. Haldeman and Mr. Rebozo were never really that close.

Mr. LENZNER. Do you know of any other individuals, other than Mr. Haldeman or Mr. Ehrlichman, who were intended to receive funds from Mr. Rebozo?

Mr. HIGBY. No, I do not.

Mr. LENZNER. Was there any reason, to your knowledge, based on your conversations or information received, why Mr. Rebozo might furnish money for legal fees for either of those?

Mr. HIGBY. I was never clear whether—other than he was a friend of the President and they were friends of the President, no.

Mr. LENZNER. Did Mr. Haldeman indicate to you that the President had discussed this issue with Mr. Rebozo?

Mr. HIGBY. No, I do not think he did.

Mr. LENZNER. He did not say one way or another?

Mr. HIGBY. No.

Mr. LENZNER. Was there any discussion with Mr. Haldeman with regard to the propriety of Mr. Haldeman and Mr. Ehrlichman receiving funds from Mr. Rebozo?

Mr. HIGBY. With me?

Mr. LENZNER. Yes, sir.

Mr. HIGBY. No.

Mr. LENZNER. Do you know of any discussions of that nature?

Mr. HIGBY. No.

Mr. ARMSTRONG. Have you had any discussions with Mr. Haldeman relating to the payment of funds by Messrs. LaRue, Rivers, Caulfield, Ulasewicz, or others to the original Watergate defendants?

Mr. HIGBY. Have I had any discussions with Mr. Haldeman regarding the payment of funds by anybody—is the essence of what you are asking me, in relation to the original Watergate defendants?

Mr. ARMSTRONG. [Nods affirmatively.]

Mr. HIGBY. Yes, I have upon occasion discussed that with him.

Mr. ARMSTRONG. And can you tell us the general substance of those discussions?

Mr. HIGBY. The discussions were more on the basis along the lines that any payments that were made—Haldeman understood were made for the purpose of legal defense and family support; that he never was aware of the fact that any payments made to them were made for the purposes of hush money. And that is covering general knowledge over the past, really, almost 1½ years now.

Mr. ARMSTRONG. Did Mr. Haldeman ever indicate that he had authorized any of those payments?

Mr. HIGBY. No.

Mr. ARMSTRONG. Do you know if he, in fact, did authorize any of those payments?

Mr. HIGBY. The payments specifically? No, he told me he did not.

Mr. ARMSTRONG. Or generally.

Mr. HIGBY. Pardon me. He has given me the impression that he did not.

Mr. ARMSTRONG. Do you know if he ever authorized it generally? Instructed Mr. Dean or anyone else to take care—

Mr. HIGBY. No, as a matter of fact, I have talked to you—can we go off the record for a minute?

Mr. ARMSTRONG. Sure.

[Discussion off the record.]

Mr. HIGBY. Back on the record, then. With regard to Haldeman's instructions on disbursement of the remaining \$350 or the \$350, when the subject was first raised by Mr. Strachan, I believe I raised it with Mr. Haldeman, and Mr. Haldeman's instruction was that the \$350 was to be returned to the committee, that those were committee funds. At some point, I believe a week or two after the initial instruction, the subject was raised again, that it had not been returned. In a phone call with Mr. Dean, Mr. Haldeman—I only heard one-half of the conversation—but got the impression that Mr. Dean had already disbursed some of the money. Mr. Haldeman, I believe, at that time,

indicated to Mr. Dean that the money should be gotten back, any money that he had disbursed. And that all that money was to be returned to the committee, that that was the committee's money.

Mr. ARMSTRONG. Are you aware of any instructions that Mr. Haldeman gave to anyone regarding the payment of that money to the defendants in the original Watergate case?

Mr. HIGBY. I do not think that I am; no.

[Discussion off the record.]

Mr. HIGBY. Now on the record; no, I am not aware of Haldeman advising anyone to pay any money to the defendants.

Mr. ARMSTRONG. Do you recall when Haldeman first told you that he was aware that the defendants were receiving legal fees or these funds?

Mr. HIGBY. No; I do not recall when he was first aware, but I think he was generally aware. In fact, I think there were newspaper accounts to the effect that they were still being paid some money by the committee. And I think that during the discussion of when the trials might be, the question was raised and the understanding was that their legal fees were being take care of.

Mr. ARMSTRONG. Just to be candid with you, the notes of the last interview reflect—

Mr. HIGBY. Can we go off the record, please?

Mr. ARMSTRONG. Are you sure you don't want this on?

Mr. HIGBY. OK, fine.

Mr. ARMSTRONG [continuing]. Reflect that Haldeman told Higby that Haldeman was aware of the fact that the defendants were receiving legal fees in March of 1973. Haldeman never told Higby that they were receiving hushup money. Higby was not aware before March 1973 that they were receiving legal fees. To the best of your knowledge, was that statement correct at that time?

Mr. HIGBY. You are asking me to recollect conversations of about a year ago. I thought that their general expenses were being taken care of, and I thought I knew that back in February or January.

Mr. ARMSTRONG. Of 1973?

Mr. HIGBY. Yes, sir.

Mr. ARMSTRONG. Do you recall if you were aware of any payments to the defendants prior to Mr. Hunt's guilty plea?

Mr. HIGBY. I do not know when Mr. Hunt's guilty plea was.

Mr. ARMSTRONG. That was in December or early January—very early January 1973.

Mr. HIGBY. I just do not recall.

Mr. ARMSTRONG. Do you have any knowledge as to whether or not the President authorized the payment of any of these fees to any of the defendants?

Mr. HIGBY. No, I do not.

Mr. ARMSTRONG. Do you have any knowledge as to the payment of \$75,000 to Mr. Hunt on March 21, 1973?

Mr. HIGBY. I have heard inference made to it.

Mr. ARMSTRONG. Other than from public, other than from media accounts?

Mr. HIGBY. Yes.

Mr. ARMSTRONG. Have you received information from any other sources?

Mr. HIGBY. Yes, I have.

Mr. ARMSTRONG. Can you tell us what that was?

Mr. HIGBY. I understand that payment was authorized prior to March 21, by Mr. John Dean.

Mr. ARMSTRONG. And from whom do you understand that?

Mr. HIGBY. General Haig.

Mr. ARMSTRONG. Can you relate the substance of that conversation?

Mr. HIGBY. Yes. Can we go off the record for a minute?

[Discussion off the record.]

Mr. HIGBY. On the record.

The only information I have is from General Haig, and he indicated to me that it apparently has now been established by the Special Prosecutor's office that that payment was authorized prior to March 21, by Mr. John Dean.

Mr. ARMSTRONG. Did General Haig indicate how he had learned about it?

Mr. HIGBY. No, he did not.

Mr. ARMSTRONG. Or what evidence the Special Prosecutor had to support that?

Mr. HIGBY. No, he did not.

Mr. ARMSTRONG. It might be helpful if you related the portion you related previously, off the record, about why the grand jury might be recalling you.

Mr. HIGBY. The reason I had originally gone to talk to Mr. Haig was to find out why the grand jury was calling me back again to go over testimony that I had essentially already covered in public hearing before Judge Sirica. And that is how I got into the conversation with Mr. Haig, the fact that apparently the March 21 notes were missing.

Mr. ARMSTRONG. And Mr. Haldeman had recalled that there were notes?

Mr. HIGBY. And that Mr. Haldeman had testified at some point in time that he thought there were some notes from March 21.

Mr. ARMSTRONG. And you have been unable to locate any March 21 notes, is that correct?

Mr. HIGBY. That is correct. I only searched for them once, and I was unable to locate them at that time.

Mr. ARMSTRONG. Are any of Mr. Haldeman's files located in any other place than 522 of the Executive Office Building?

Mr. HIGBY. I do not believe so.

Mr. ARMSTRONG. There is no other safe or cache of files that you are aware of?

Mr. HIGBY. Not that I am aware of.

Mr. ARMSTRONG. Dick?

Mr. SCHULTZ. I have 2 hours' worth of questions—no questions.

Mr. ARMSTRONG. Mary?

Ms. DEOREO. In one of your earlier interviews, you said Haldeman at one time asked Barth to send up his own returns—Haldeman's own tax returns.

Mr. HIGBY. Send up?

Ms. DEOREO. Apparently so Haldeman could review them. And my question was going to stem off this.

Mr. HIGBY. No. I think you are wrong. I think what Haldeman—well, go ahead; finish your question.

Ms. DEOREO. If Barth had ever sent Haldeman anything else; for instance, a sensitive case report that would review anything the IRS was looking into?

Mr. HIGBY. No, I think most of those kinds of matters came from the Secretary of the Treasury directly. I think that is an incorrect impression. I do not think Barth ever sent Haldeman his tax returns other than—what I think I tried to relate there is Barth came over to review tax returns after he—Haldeman—had prepared them to make sure they were correctly prepared so that there was no impropriety in Mr. Haldeman filing his tax return.

Ms. DEOREO. Did the Secretary of the Treasury ever send any sensitive case reports to Haldeman?

Mr. HIGBY. I don't know if he sent reports. I think upon occasion he indicated that people were being investigated. I think—I am not sure if it was to Haldeman or Dean—and then Dean sent it to Haldeman. But they were not case reports; they are all public, I think—the John Wayne one and the Dr. Ryland one are the ones that come to mind.

Ms. DEOREO. OK, but again, Mr. O'Brien's name or Mr. Rebozo or anything having to do with the Hughes investigation, was this specifically brought to Haldeman's attention?

Mr. HIGBY. Not that I can recall, no.

Mr. ARMSTRONG. Was there a file—did Mr. Haldeman maintain a file related to IRS matters or the sensitive case reports?

Mr. HIGBY. No; in fact, the only piece of paper I can recall on it—I think it was mostly by phone—the piece of paper that I recall is the one that we have had in evidence here about John Wayne and Billy Graham, or something like that.

Ms. DEOREO. OK.

Mr. ARMSTRONG. Emily?

Ms. SHEKETOFF. [Nodding negatively.]

Mr. HAUSER. One final thing, Scott. Mr. Higby has asked me to request a copy of his transcript that was mentioned before, and that you would have to present that to the committee for formal action before you can get it. And the other thing he would ask is that he be furnished relevant portions of Mr. Kalmbach's testimony—portions that would pertain to Mr. Higby. I believe that's also provided for under rule 22 of the committee's Rules of Procedure.

Mr. ARMSTRONG. I think the Rules of Procedure make reference to that before it is made public. I think there is some reference there that before any testimony is made public or at which time it is made public, anyone who is mentioned adversely has an opportunity to respond.

Mr. HAUSER. I think there are two different places. I think there is that section, but there is also a section which provides that relevant portions of other witnesses' testimony may be given to a witness so that he could protect his rights as such. And since Mr. Higby is being questioned by the grand jury and other forums, I think it is only fair that he should be given a copy of that testimony that would be relevant to his testimony here.

Mr. ARMSTRONG. We will certainly present that to the committee.

Mr. HIGBY. Very good.

Mr. ARMSTRONG. Thank you.

Mr. HIGBY. Thank you.

[Whereupon, at 4:55 p.m., the hearing in the above-entitled matter adjourned.]

HIGBY EXHIBIT No. 1

THE WHITE HOUSE
WASHINGTON

August 4, 1970.

MEMORANDUM FOR BOB HALDEMAN

FROM: BILL SAFIRE

According to Newsweek, Larry O'Brien (along with Cliff White) will be on the board of directors of an "international consulting firm." Lobbying for foreign governments without the appearance of lobbying, I guess.

Can't we raise a big fuss about this? Insist that he register as a foreign agent, demand to know what fees he will be getting for what work and "to what extent the Democratic National Committee is available for sale to foreign governments"?

We could have a little fun with this and keep O'Brien on the defensive.

HIGBY EXHIBIT No. 2

MEMORANDUM

THE WHITE HOUSE
WASHINGTON

CONFIDENTIAL

August 5, 1970

MEMORANDUM FOR: MR. DEAN

Will you please look into this, find out what the facts are and see what we can do.


H.R. HALDEMAN

Attachment

THE PERISCOPE

A BREAK FOR THE YANKEE DOLLAR

South Vietnam's President Thieu has finally yielded to U.S. urging and agreed to at least a partial devaluation of the piaster. At present, U.S. dollars sent into Saigon (an estimated \$500 million a year) buy only 118 piasters apiece at the official rate, while the free- or black-market rate is 360. Under the new plan, these U.S. dollars will be exchanged officially at about 235 piasters.

PEKING FACES WEST

Red China is accelerating a diplomatic buildup in East Europe. Peking will soon establish full relations with Tito's Yugoslavia and has ordered its ally Albania to do the same. The French officials who recently visited Mao are convinced China can do this because it has recovered from its cultural revolution. The French also expect Red China's No. 2 man, Chou En-lai, to visit France and East Europe within the next year.

CLOUT, INC.

A high-powered new international consulting firm (New York, Washington, London) will boast some of the top political operators in the U.S. Called Public Affairs Analysts, it is headed by F. Clifton White (a top 1961 Goldwater aide), backed up by Joseph Napolitan (sometime campaign strategist for JFK, LBJ, Hubert Humphrey and, last year, Filipino President Marcos) and includes Larry O'Brien, Democratic National Chairman, as a director. The firm will not handle campaigns in the U.S. but will specialize in government relations.

LONG'S LONE HAND

Despite the implacable opposition of its chairman, Russell Long of Louisiana, the betting now is that the Senate Finance Committee will OK the Administration's family-assistance program—and almost in the form the President wants. The White House, which can count on liberal Democratic support on Long's committee, now has lined up such solidly conservative GOP members as Wallace Bennett of Utah, Jack Miller of Iowa and Len Jordan of Idaho.

WHO LOVES THE SST?

William Magruder, the test pilot and engineer brought to Washington to ramrod the Administration's campaign to get Senate support for the controversial SST airplane, has found his toughest opponents within the Administration itself.

Treasury Secretary Kennedy, for example, dismisses the whole idea as a frill. The Senate is expected to vote on SST funds in about five weeks.

NOW, THE ANTI-ANTI-MISSILE

Those long-range Soviet missile tests in the Pacific last week demonstrated two points: (1) the Minuteman-type Russian SS-11 is now a multiple-threat weapon (the warheads tested included two decoys plus the metallic chaff used to fool radar); and (2) Moscow, which has about 800 of these missiles, has produced in three years a weapon that can penetrate the ABM defense the U.S. is still developing.

THIS CUSTOMER IS ALWAYS RIGHT

Iraq has added a new twist to the unremitting anti-U.S. campaign it started when Washington and Baghdad broke relations three years ago. The Iraqis have ordered that the modern U.S. Embassy in Baghdad (which the Belgians have been tending) be sold to an "authorized" buyer. The lone authorized buyer—Iraq.

HANOI TAKES NO CHANCES

Bombing raids against North Vietnam have been halted (except for a rare strike to protect scout planes) since November 1968, but Hanoi is not relaxing. It still maintains a net of 4,000 ack-ack artillery and machine-gun sites, almost 500 radar points and 40 batteries of Soviet missiles.

THE JAWBONE THAT FAILED

Despite the President's strong beefs about the failure of Congress to tax leaded gasoline (and thus cut air pollution and raise revenues), his chances look slim. The tax-writing House Ways and Means Committee is dead set against it because, as its No. 2 Democrat, Hale Boggs of Louisiana, grandly puts it: "We don't believe the power to tax should be used as the power to destroy."

THE HIGH COST OF SAVING

Though costs of the Vietnam war are down by half—from \$29 billion to \$14.5 billion—Defense Secretary Laird is busy showing how the "saving" is far less. Privately, Laird gave Congress this arithmetic: keeping up the combat troops that have left Vietnam but are still on duty takes \$4.5 billion; inflation and pay raises add \$5.9 billion. Even with \$2.8 billion pared from non-Viet spending, Laird ends up with \$6.9 billion, the exact sum trimmed from his new budget.

HIGBY EXHIBIT No. 3

August 18, 1970

CONFIDENTIAL

MEMORANDUM FOR H.R. HALDEMAN

By a memorandum of August 5, 1970, you requested that I look into a suggestion from Bill Safire that we "raise a big fuss" about Larry O'Brien's reported (NEWSWEEK) involvement in an "international consulting firm."

Attached is the NEWSWEEK article indicating O'Brien's involvement in Public Affairs Analysts (PAA) along with Clifton White and Joseph Napolitan. PAA is located in an office on Connecticut Avenue in a location that has been leased for the past five years by Joseph Napolitan; some five different firms conduct business out of this office. For some time White and Napolitan have had a cooperative arrangement in which they pool their political contacts with corporations and other organizations in order to market their services as political consultants. The concept is to provide corporations with programs for employee political education of a non-partisan "public affairs" nature. Obviously this type of service can best be marketed if it is non-partisan and this is apparently why White and Napolitan have pooled their resources.

Napolitan has had some success in selling his political consulting services abroad. The NEWSWEEK article notes his involvement with President Marcos of the Philippines. I understand that last fall Napolitan and White met with some European political consultants in Florence and discussed areas of mutual interest. Shortly thereafter PAA was established as another White/Napolitan operation. Apparently Larry O'Brien purchased stock in the new enterprise from Napolitan; while the precise amount of stock is not known, it is estimated to be less than 10 percent of the stock outstanding. By virtue of this stock interest, O'Brien was elected to the Board of Directors -- as reported in the NEWSWEEK article. O'Brien has no management responsibilities and no involvement in the day to day operations of the business. Apparently his present activities with PAA are rather limited.

Based on the information that I have been able to obtain, I would recommend that no action be taken regarding O'Brien's involvement in PAA. To date they have done nothing that would require them to register under the Foreign Agents Registration Act and I think we can assume that they are well aware of the requirements to register because Napolitan has registered, when necessary, in the past. The involvement of Clifton White also makes it doubtful whether any political gain can be made from focusing on O'Brien's involvement and it might have a detrimental impact on White's efforts to manage the Buckley campaign in New York State.

John W. Dean

A True Copy

HIGBY EXHIBIT No. 4

MEMORANDUM

THE WHITE HOUSE
WASHINGTON

August 17, 1970

CONFIDENTIAL

MEMORANDUM FOR: JOHN DEAN

SUBJECT: Public Affairs Analysts

For some time Cliff White and Joe Napolitan have had a cooperative arrangement in which they pool their political contacts with corporations and other organizations in order to market their services as political consultants. Generally, the idea has been to provide corporations with programs for employee political education -- a nonpartisan "public affairs" program. Obviously, this type of service can be more easily marketed if it is clearly nonpartisan, which is why White and Napolitan decided to pool their efforts. From a business standpoint, this venture was designed to provide two political operatives with bread and butter in non-election years.

Napolitan has had some success in selling his political consulting services abroad. Apparently last fall, he and White met with some European political consultants in Florence and discussed those things which "pols" world-wide find of mutual interest. Shortly thereafter, Public Affairs Analysts (PAA) was established as yet another White/Napolitan operation.

As I can piece the story together, Larry O'Brien purchased from Napolitan some stock in the new enterprise. I am unsure of the precise amount, but it is less than 10% of the stock outstanding. By virtue of his stock interest, O'Brien was elected to the Board of Directors. He has no management responsibility and no authority in the day-to-day operations of the business.


CONFIDENTIAL

- 2 -

CONFIDENTIAL

Public Affairs Analysts is not a lobbying outfit, but a political consulting firm. At the present time, it has no foreign clients, although obviously it hopes to get some. Counsel for PAA is a prominent New York law firm which would be sure to advise White of the legal implications of any business arrangement with a foreign interest. Knowing the firm as well as Cliff, I am confident that any arrangement would be not only legal but prudent.

O'Brien's relationship with PAA is so minor that I would think it unworthy of further investigation.


TOM CHARLES HUSTON

Attachment

CONFIDENTIAL

DISCREET INQUIRY RELATIVE TO A NEWLY FORMED ORGANIZATION KNOWN
AS PUBLIC AFFAIRS ANALYSTS

Discreet inquiry was made in connection with Bob Haldeman's direction to look into an organization known as Public Affairs Analysts. Such information was brought to H.R.H.'s attention in a memorandum by Bill Safire resulting from a news item in an August 10, 1970 Newsweek, a copy of which is attached hereto.

Inquiry reveals that an organization known as Public Affairs Analysts is currently located at 1028 Connecticut Avenue, N.W., Washington, D.C. Telephone #296-6024. These offices of subject firm are housed at the above address in a building known as the La Salle Building. The firm occupies Room #618 and is described as a two door office with only fair furnishings. It has been determined that the rental for such office amounts to \$300.00 per month and has been continually occupied for the past five years by Joseph Napolitan Associates.

A discreet interview of the rental agent located on the premises reveals that the firm of Public Affairs Analysts initiated business at the above location on July 15, 1970 at the direction of Mr. Joseph Napolitan.

Listed below are the names of individuals affiliated with an apparent group of businesses using the above described offices: Joseph Napolitan, Claud J. Desautels, Barns Munson Howard, Oscar Jager, and E. K. Blunt. Additionally the below indicated firms conduct business from the subject office: Joseph Napolitan Associates, Campaign Consultants, Murray Watson, Ltd., University of Chicago Club and Public Affairs Analysts.

Source advises that a discreet look at the interior office structure of the subject business indicates an answering service type environment with staffing inconsistent with the number of firms listed as doing business at that location.

While further inquiry will continue as to the structure and operation of the firm Public Affairs Analysts, it appears at this time that the firm is operating in shoestring fashion and may well be an ad hoc medium by which a group of well connected politicians can have on-going office space with a view towards taking advantage of the needs of candidates for professional advice and guidance. This is a common practice and one that is not alien to the Republican side of the coin.

Public Affairs lysts - 2 -

8/11/70

Relative to the international consulting aspects of this new firm; a discreet inquiry will have to be accomplished either from friends in the business or more directly from contact with F. Clifton White who is listed in the attached article as heading up the subject firm. It seems to me that Dick Kliendienst would be in the best position to make this determination because of his longtime association with White. Advise if you wish for me to pursue this particular aspect.

Attachment

HIGBY EXHIBIT No. 5-A

MEMORANDUM

THE WHITE HOUSE
WASHINGTON*Confidential*

January 15, 1971

MEMORANDUM FOR ROY GOODEARLE

Bob Bennett, son of Senator Wallace Bennett of Utah, has just left the Department of Transportation to take over the Mullen Public Relations firm here in Washington. Bob is a trusted loyalist and a good friend. We intend to use him on a variety of outside projects.

One of Bob's new clients is Howard Hughes. I'm sure I need not explain the political implications of having Hughes' affairs handled here in Washington by a close friend. As you know, Larry O'Brien has been the principal Hughes man in Washington. This move could signal quite a shift in terms of the politics and money that Hughes represents.

Bennett tells me that one of the yardsticks by which Hughes measures the effectiveness of his Washington lobbyist is the important people he knows; that's how O'Brien got on board. Bob Bennett tells me that he has never met the Vice President and that it would enhance his position greatly if we could find an appropriate occasion for him to come in and spend a little time talking with the Vice President. Maybe you can think of a better way to do this than a meeting in the office; maybe there is a social occasion that Bennett could be included in on. The important thing from our standpoint is to enhance Bennett's position with Hughes because Bennett gives us real access to a source of power that can be valuable, and it's in our interest to build him up. Could I have your thoughts on this please?

Charles W. Colson
Charles W. Colson

HIGBY EXHIBIT No. 5-B

THE WHITE HOUSE

WASHINGTON

January 22, 1971

MEMORANDUM FOR JOHN W. DEAN, III

FROM: JACK CAULFIELD

SUBJECT: HUGHES RETAINER FOR LAWRENCE O'BRIEN

Initial inquiry indicates that it will be most difficult to prove a direct financial transaction between Lawrence O'Brien and Howard Hughes. A reliable source postures the subject retainer in this manner:

O'Brien and Robert Mayhew are longtime Boston area associates, going back to the early or pre-Kennedy days. During the Kennedy Administration, assertedly, there was continuous liaison between O'Brien and Mayhew. When O'Brien left the White House and prior to becoming Postmaster General, Mayhew offered O'Brien a piece of the Hughes action in Las Vegas (believed to be \$100,000) and O'Brien came close to accepting.

O'Brien decided against it. Subsequently, after leaving the government, O'Brien formed a Washington-New York based P.R. firm bringing along one Claude Desautels, his Executive Assistant at the Post Office.

My source states the Hughes-O'Brien financial retainer transactions were handled between Desautels and Mayhew with O'Brien one step removed.

Assertedly, such retainer continued until the recent Mayhew disaster in Vegas.

This is an interim report. I have asked for additional information. Will forward when received.

HIGBY EXHIBIT No. 5-C

THE WHITE HOUSE

WASHINGTON
January 25, 1971

MEMORANDUM FOR JOHN W. DEAN, III

FROM: JACK CAULFIELD

SUBJECT: HUGHES RETAINER TO LARRY O'BRIEN AND RELATED MATTERS

A follow-up inquiry regarding this matter discloses the following:

O'Brien, following his departure from government as Postmaster General, established a public relations firm. This occurred during 1969. At that time, serious negotiations took place between O'Brien and Mayhew for O'Brien's firm to represent the Hughes interests in Washington. No hard evidence of the fee to be involved is available. Knowledgeable sources assert \$100,000 was the amount under consideration.

It is alleged that for unknown reasons the above discussed retainer did not materialize in this manner. Rather, O'Brien's longtime confidant Claude Desautels formed a P.R. type organization named Desautels Associates, 1725 I Street, N.W., Washington, D.C., Tel. # 296-1338. It is reliably reported that this firm had handled the Hughes interests on Capitol Hill up until the Mayhew-Hughes controversy in Vegas. The fee involved for such undertaking is not known to my source.

As one gets closer to Mayhew's dealings, it becomes evident that his tentacles touch many extremely sensitive areas of government, each one of which is fraught with potential for Jack Anderson type exposure. For example:

Mayhew apparently forwarded Hughes' political contributions, personally, to both parties over the last ten years. It is asserted that he dealt with one Vic Johnson, now deceased, who was one of Richard Nixon's fund raisers over the years.

Former Californian Republican Congressman Pat Hillings is very close to Murray Chotiner. Hillings has been retained by Mayhew in connection with Hughes' interests for years.

Former F.B.I. agent Dick Danner has been an aide to Mayhew. Danner is a close associate of former Senator Smathers and professes a friendship with Bebe Rebozo. I have reason to believe the Danner-Rebozo relationship is peripheral at best.

Memorandum for John W. Dean
 From: Jack Caulfield
 Page two

January 25, 1971

Clark Clifford's law firm has been the Washington representative of the Hughes legal interests in Washington for a number of years.

Mayhew was a close associate of rogue F.B.I. agent John Frank, generally believed to have engineered the assassination of Jesus de Galindez in New York City on March 12, 1956 on behalf of the assassinated Rafael Trujillo.

It seems to me that before any action is taken vis a vis O'Brien and the Hughes retainer, we should authorize an in depth analysis of all (CIA, F.B.I., IRS) information available for White House perusal. There is a serious risk here for a counter scandal if we move precipitously.

HIGBY EXHIBIT No. 5-D
THE WHITE HOUSE
WASHINGTON

January 26, 1971

CONFIDENTIAL

MEMORANDUM FOR: H.R. HALDEMAN
FROM: JOHN DEAN
SUBJECT: Hughes' Retainer of Larry O'Brien

Pursuant to your memorandum of January 18, 1971, I have conducted an inquiry into the relationship between Larry O'Brien and Howard Hughes. My preliminary findings are set forth below.

First, Lyn Nofziger, who you thought had been doing some work in this area, reported that he had no knowledge of specifics, but had hearsay information of the relationship.

Second, I discussed the matter with Bebe Rebozo who indicated that his information regarding the retainer had come from Robert Maheu, the recently released head of Hughes' Nevada operation. Bebe said that this information had come to his attention at a time when Maheu was professing considerable friendliness towards the Administration, but that it was not documented information. Bebe indicated that he felt that Maheu had possibly retained O'Brien for his services without any direct knowledge by Hughes himself. Bebe is under the impression that Maheu had a good bit of freedom with Hughes' money when running the Nevada operation. Bebe further indicated that he felt he could acquire some documentation of this fact if given a little time and that he would proceed to try to get any information he could. He also requested that if any action be taken with regard to Hughes that he be notified because of his familiarity with the delicacy of the relationships as a result of his own dealings with the Hughes people.

Third, I have also been informed by a source of Jack Caulfield's that O'Brien and Maheu are long time friends from the Boston area, a friendship which dates back to early or pre-Kennedy days. During the Kennedy Administration, there apparently was a continuous liaison between O'Brien and Maheu. When O'Brien left the White House prior to becoming Postmaster General, it is alleged that Maheu offered O'Brien a piece of the Hughes action in Las Vegas (believed to be about a \$100,000 arrangement).

O'Brien apparently did not accept the offer. After leaving the government, O'Brien formed a Washington-New York based public relations firm and brought into the firm a man by the name of Claude Desaultels, who had been O'Brien's Executive Assistant while he was Postmaster General. There is some basis to believe that the Hughes-O'Brien financial retainer transactions have been handled by Desaultels and Maheu, with O'Brien one step removed.

Caulfield's source further indicated that Maheu, apparently, was the man who forwarded all Hughes' political contributions, personally, to both parties over the last ten years. It is asserted that he dealt with a man by the name of Vic Johnson (now deceased) who he believed was one of the Nixon fund raisers over the years. I assume this is the Vic Johnson who was with the Congressional Campaign Committee. It is also noted that former Republican Congressman Pat Hillings, who is a friend of Murray Chotiner's, has been retained by Maheu in connection with the Hughes' interests for several years. It is further alleged that former FBI Agent Dick Danner has served as an aide to Maheu and Danner is an associate of former Senator Smathers and Danner professes a friendship with Bebe Rebozo. I have not confirmed this latter fact with Bebe. The Clark Clifford law firm has been the Washington representative of the Hughes' legal interests in Washington for a number of years.

Fourth, Bob Bennett, son of Senator Wallace Bennett of Utah, has recently left the Department of Transportation to take over the Mullen Public Relations firm here in Washington. Chuck Colson informs me that Bob Bennett is a trusted and good friend of the Administration. One of Bob's new clients is Howard Hughes. Bennett informs me that there is no doubt about the fact that Larry O'Brien was retained by Howard Hughes and the contract is still in existence. The arrangements were made by Maheu and Bennett believes that O'Brien, through his associate Desaultels, is going to seek to have Hughes follow through on the alleged retainer contract even though Maheu has been removed. Bennett believes that Larry O'Brien has removed himself from the operation in a visible way, but for all practical purposes, is still involved with the former Larry O'Brien Associates which is now run by Desaultels. Bennett believes that Desaultels is collecting on the Hughes contract and placing funds in a reserve account for O'Brien when O'Brien returns to the firm. Bennett also indicates that he will be going to the West Coast to talk about the specifics of his Hughes relationship with Mr. Gay (the man who is responsible for releasing Maheu). Bennett also indicated that he felt confident that if it was necessary to document the retainer with O'Brien that he could get the

necessary information through the Hughes people, but it would be with the understanding that the documentation would not be used in a manner that might embarrass Hughes.

As I am sure you are aware, information in this area is somewhat difficult to come by. Bob Bennett appears to be the best source readily available. I have requested that he get back in touch with me when he returns from California. I will report further at that time and shall continue to explore other sources in the interim.

Any other instructions? -----

HIGBY EXHIBIT No. 5-E

MEMORANDUM

THE WHITE HOUSE

WASHINGTON

January 28, 1971

CONFIDENTIAL

MEMORANDUM FOR: JOHN DEAN

FROM: H. R. HALDEMAN SUBJECT: Hughes Retainer of Larry O'Brien

You should continue to keep in contact with Bob Bennett, as well as looking for other sources of information on this subject. Once Bennett gets back to you with his final report, you and Chuck Colson should get together and come up with a way to leak the appropriate information. Frankly, I can't see any way to handle this without involving Hughes so the problem of "embarrassing" him seems to be a matter of degree. However, we should keep Bob Bennett and Bebe out of it at all costs. Please keep me advised of your progress on this and any plans you decide on.


CONFIDENTIAL

HIGBY EXHIBIT No. 5-F

THE WHITE HOUSE

WASHINGTON

February 1, 1971

MEMORANDUM FOR JOHN W. DEAN, III 
FROM: JACK CAULFIELD
SUBJECT: HUGHES RETAINER TO LARRY O'BRIEN

Inquiry regarding the Hughes retainer to O'Brien reveals that it can be documented only indirectly in that payment was made via the Mahew-Claude De Sautels route (De Sautels is a long time confidant of O'Brien).

The revelation that an O'Brien-Mahew relationship exists poses significant hazards in any attempt to make O'Brien accountable to the Hughes retainer. Mahew's controversial activities and contacts in both Democratic and Republican circles suggests the possibility that forced embarrassment of O'Brien in this matter might well shake loose Republican skeletons from the closet.

In this connection, it should be remembered that Don Nixon visited the Dominican Republic with a group of wheeler dealers in September 1969, who assertedly were connected with Mahew mining forces in Nevada.

Further, former Republican Congressman Pat Hillings has long been on the payroll of Hughes in a P.R. capacity. Hillings is very close to Murray Chotiner. Whether or not business arrangements have transpired in this area is not known.

Mahew's covert activities from his Washington association with CIA in the early sixties to his Nevada involvement on behalf of Hughes are only generally known here, at this time. It is again suggested that in depth information be on hand before pursuing the suggested course.

11132

HIGBY EXHIBIT No. 5-G

MEMORANDUM

THE WHITE HOUSE

WASHINGTON

February 3, 1971

MEMORANDUM FOR JOHN W. DEAN

FROM: JACK CAULFIELD *JC*

SUBJECT: HUGHES-MAHEW

I am sure you will find it interesting if you view the last half of CBS's "Sixty Minutes" show last night. It dealt with the ongoing Hughes controversy, including an in depth interview of Mahew. Also an indication of Intertel's activity in Nevada.

HIGBY EXHIBIT No. 5-H

February 5, 1971

MEMORANDUM FOR: JACK CAULFIELD
FROM: JOHN DEAN
SUBJECT: Hughes-Maheu

Would you please arrange for me to view the last half of the CBS 60 Minutes Show of February 2, 1971, dealing with the Hughes controversy and the interview with Maheu. Please confirm the date and time with Jane. I think I should review it as soon as possible.

Thank you, Jack.

A TRUE COPY

HIGBY EXHIBIT No. 5-I

SUBJECT: HAZARD POSED BY WHITE HOUSE STAFF WITH SECURITY
OFFICIALS IN HOWARD HUGHES CORPORATION INTERESTS IN LAS VEGAS

Information has been received from a source believed to be reliable indicating that the Howard Hughes operation in Las Vegas is in serious financial difficulty. Source states that former FBI agent Mayhew, longtime associate of the Hughes operation, had been placed in complete charge of the Hughes hotel and gambling interests in Las Vegas. Source advises that Mayhew has gone completely sour in that close and ominous relationships have been established between Mayhew and well known Mafia figures. Further, that Mayhew and these figures have been criminally skimming huge profits from casino operations for their own benefit. Assertedly, only now are the Hughes corporate officials becoming aware of the extent of the monies being stolen. It is feared that substantial millions are involved.

Source advises that Mayhew is a consummate namedropper and has convinced Hughes corporate officials that he has close, influential contacts at the White House. Assertedly, only now are these officials becoming aware that Mayhew has no influence in this area.

It is alleged that representatives of Mayhew may have picked up hotel and bar tabs for the Presidential advance party in connection with the October 31st visit to Las Vegas. Further, that the same activity may have been involved with the V.P.'s trip there during the campaign.

11135

HIGBY EXHIBIT No. 6-A

MEMORANDUM

THE WHITE HOUSE
WASHINGTON

CONFIDENTIAL

March 3, 1972

MEMORANDUM FOR:

JOHN DEAN

FROM:

CHARLES COLSON

Can you do anything with the attached? I have no idea, obviously, whether there is anything to it, but it might be worth taking a look at. It seems to me I do recall some publicity about this about two years ago.

HIGBY EXHIBIT No. 6-B

THE WHITE HOUSE
WASHINGTON

CONFIDENTIAL

March 3, 1972

MEMORANDUM FOR: CHARLES W. COLSON

FROM: STEVE KARALEKAS *SK*

It has been suggested to me that the appropriate office in this Administration should commence an investigation into the background and circumstances surrounding the leasing arrangement of the Department of Transportation headquarters building in Washington.

According to my source, it seems that Larry O'Brien, present Democratic National Chairman, and two cohorts were involved in very shady dealings with LBJ. These dealings resulted in an extremely lucrative leasing arrangement with O'Brien and company as the lessors and the U. S. Government as the lessee.

I am unable at this time to be more specific, but according to my source, it is well worth checking. His suggestion was triggered by the current ITT - Jack Anderson revelation.

HIGBY EXHIBIT NO. 7

April 6, 1972

CONFIDENTIAL

MEMORANDUM FOR: CHUCK COLSON

FROM: JOHN DEAN

Per your suggestion, I have looked into the possibility that Larry O'Brien and others were involved in some highly questionable leasing arrangements with the United States Government during the Johnson Administration. Specifically, I reviewed the subject of lease arrangements with GSA for the DOT Headquarters Building, but apparently his activities were even more widespread.

As a result of my investigation and discussions, it appears that it would be extremely difficult to establish the direct tie-in between O'Brien and GSA. Even if this could be done, however, it is the consensus of all with whom I have discussed this that raising the issue might open a Pandora's Box that we would later regret opening. It is not that this Administration or prior Republican Administrations have been as culpable as it is obvious the Democrats were; rather charges of alleged impropriety could be leveled against the current GSA Administration, and our point would be lost in the smoke.

This is not to say that I think we should forget the whole matter. For your information, Senator Proxmire has had GAO people investigating the GSA leasing policy for some time now. If it appears that the Senator will attempt to make this another of his "causes" during the election year, which I currently think is not a realistic possibility, we should be prepared to show that we are at worst guilty of bad judgment whereas the Democrats were actually guilty of criminal conversion, etc.

CONFIDENTIAL

HIGBY EXHIBIT No. 9-A

THE WHITE HOUSE

WASHINGTON
October 14, 1971

MEMORANDUM FOR JOHN W. DEAN, III

FROM: JACK CAULFIELD

SUBJECT: EMK- TOYOTA

Dick Allen has passed information to HRH indicating Kennedy people have engineered a regional Toyota franchise in New England.

My memo of August indicating EMK visited with an asserted Japanese industrialist (J. Otani - not further identified) during a two day layover enroute from India now suggests a follow-up on J. Otani. Such inquiry is underway.

Handwritten:
J.
To: President
S.Y.I

HIGBY EXHIBIT No. 9-B

THE WHITE HOUSE

WASHINGTON

October 20, 1971

MEMORANDUM FOR JOHN W. DEAN, III

FROM: JACK CAULFIELD

SUBJECT: J. OTANI

Inquiry to date has determined the following:

Otani is a multi-millionaire Democrat with extensive real estate and business holdings in Hawaii. He is President and General Manager of the Otani Company which is a successful wholesale seafood enterprise.

Sources advise that Otani significantly controls local politics in Honolulu to the extent that he is referred to as the "Mayor Maker".

He is a frequent visitor to Honolulu's Customs area, particularly when important Japanese visit the island.

U.S. Customs sources contacted in this regard were unaware of any relationship between Otani and Toyota. Since there apparently exists a friendly relationship between Otani and Customs officials in that area, further inquiry through this source is deemed inadvisable.

Other means of inquiry designed to prove or disprove the allegation are currently being explored.

cc: R. Allen

HIGBY EXHIBIT No. 10

MEMORANDUM

THE WHITE HOUSE

WASHINGTON

January 12, 1970

MEMORANDUM FOR: MR. BUTTERFIELD
MR. CHAPIN
MR. MAGRUDER
MR. ZIEGLER
MR. JOHN BROWN
MR. HIGBY

The following is a summary of the meeting which Mr. Haldeman called at 12:35 p.m. today. On each subject covered, responsibility for action and/or follow-up was placed on the individual(s) whose name(s) appear in parenthesis after the subject title. In each case, please submit a report to Mr. Haldeman as soon as practicable (but no later than the close of business on Wednesday, January 21st) as to action taken and/or recommendation(s) for contemplated action.

1. Pool Progress (Brown/Higby)

The President wants to see some progress on the pool; he wants some speed on this project.

2. Relocation of the Dispensary and the Secret Service Office -- Out of the White House (Brown)

The President wants the Secret Service and the Doctor out of the White House.

John Brown advised that work has begun on this, and that the Doctor is "on the way out".

3. Science Advisor (Brown)

Status of the President's memo to Ehrlichman/DuBridge's "four hats".

John Brown was not aware of this, but said that he

4. King Timahoe (Butterfield)

The President wants Manolo... and Manolo only... to take care of Tim.

5. Responses to the President's Birthday Messages (Brown)

We should get a list compiled of those who sent the President a birthday message. Rose Woods is to look the list over and pick out the VIPs. Let's get moving on this and get responses out. Suggested wording: "Thank you for your thoughtful message", etc.

6. Scheduling for the President (Chapin)

The President wants to meet only once a month with the committees. He wants this "regularized".

He wants to have Leaders' Meetings (one and one-half hours) every other week.

He wants to have NSC meetings (one and one-half hours) only when necessary.

He wants to meet with the Political Group and the Research Group once a month

For his 5:00 o'clock meetings, he wants to use the Oval Office or the EOB office. Meetings should be scheduled for one hour, including discussion time.

7. Form Letters in Response to Birthday Messages (Brown)

The President wants to see the form-letter response to the birthday messages which he received.

8. Need to Sanitize the White House Staff (Butterfield)

Report (this week) on what we are doing to sanitize the White House Staff

9. PR Group Meetings (Magruder)

We will need more time for the PR Group meeting this week; in fact, let's do this on a general basis; best to start earlier.


A. E. JUANICH

cc: Mr. Haldeman

HIGBY EXHIBIT No. 11-A

THE WHITE HOUSE

WASHINGTON

September 10, 1971

MEMORANDUM FOR JOHN W. DEAN, III

FROM: JACK CAULFIELD

SUBJECT: NEWSDAY ARTICLE

New York sources advise the following scattered pieces of information:

A) A discreet look at the newspaper's publication calendar has been accomplished. There is no indication at this time that the subject series of articles will appear during the month of September. However, this could be subject to change because of the high priority being given to the article.

B) Unusual and highly secretive steps have been taken to prevent the substance of the article from becoming known to other employees.

C) A trusted member of the newspaper's staff has stated that heavy outside pressure is being exerted to uncover the details of the story before publication. This pressure is independent of the efforts being programmed from my office.

D) A firm consensus has been reached that Ed Guthman of the L. A. Times is close to this matter. It is alleged that he was in New York at the time of the planning stages of the inquiry.

E) Robert Greene, leader of the investigative group, has been in both Washington and Florida within the past two weeks.

Will continue to push and follow through on this matter.

HIGBY EXHIBIT No. 11-B

THE WHITE HOUSE

WASHINGTON

October 14, 1971

MEMORANDUM FOR JOHN W. DEAN, III

FROM: JACK CAULFIELD

SUBJECT: NEWSDAY ARTICLE ASSERTEDLY FINANCED BY
KENNEDY FOUNDATION

Proving this assertion may not be possible. As you know, it is based upon Bebe's observation that Greene and Guthman are Kennedy loyalists and that Moyers is now with the Kennedy Foundation.

I cannot believe that a matter of this sensitivity would be identifiable through normal investigative technique. It seems to me that we need harder input than now at hand in order to proceed.

I would suggest, however, that consideration be given to an oblique Nofziger media drop vis a vis the Kennedys, Newsday, the L.A. Times et al - a sort of an alert that we are aware.

HIGBY EXHIBIT No. 12-A

THE WHITE HOUSE

WASHINGTON

November 2, 1971

MEMORANDUM FOR:

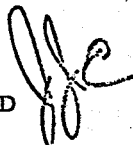
JOHN DEAN

FROM:

JOHN J. CAULFIELD

SUBJECT:

L. A. Times - Anti Trust Action



I spoke with Lyn on this matter. He had little to give except to advise that the Times is coming out with a new street edition which, in his judgment, will stifle newspaper competition on the Southern California Coast.

It is Lyn's view that this move may be countered by an anti-trust action and strong administration steps designed to limit the number of newspapers which one corporation can own.

However, he feels that we should not precipitously move in this area until he completes his Newsday project which is moving along quickly.

Adivse.

HIGBY EXHIBIT No. 12-B

ADMINISTRATIVELY CONFIDENTIAL

THE WHITE HOUSE

WASHINGTON

December 1, 1971

MEMORANDUM FOR: JOHN DEAN

FROM: DAVID WILSON *DW*

SUBJECT: Antitrust Action Against the
Los Angeles Times

You have inquired about the possibility of antitrust action against the Los Angeles Times as suggested in the attached memorandum from Jack Caulfield. This proposal is apparently triggered by the fact that the Times is coming out with a new street edition which is expected to eliminate certain competition on the Southern California Coast.

The most likely antitrust action that might be considered in this situation would come under either Section 2 of the Sherman Act or Section 3 of the Clayton Act. Section 2 of the Sherman Act prohibits monopolization or attempts to monopolize. As defined in the leading case of United States v. Grinnell, 384 U.S. 563 (1966), the offense of monopoly has two elements: "(1) the possession of monopoly power in the relevant market and (2) the willful acquisition or maintenance of that power as distinguished from growth or development as a consequence of a superior product, business acumen, or historic accident."

If the area of expansion of the Times is contiguous to Los Angeles, the market area might be drawn to include all of the Los Angeles area and thereby give the Times a percentage share of the market which would approach monopoly proportions. If the area of concern is further down the coast, the market area would probably be narrowly limited giving the Times far less than a monopoly share of the market and eliminating any possible charge of monopolization.

A crucial element of this offense, over and above pure size and power, is a deliberativeness in acquiring and maintaining the monopoly power. Thus, a natural monopoly such as most local newspapers which are the only newspaper in town, do not unlawfully monopolize merely by acting as strong, dynamic competitors. Union Leader Corp. v. Newspapers of New England, Inc., 284 F.2d 582 (1st Cir. 1960). These natural monopolies are defensible because they have had monopoly thrust upon them in a market which cannot support more than one viable competitor. An unlawful monopolizer must engage in some sort of predatory, unfair practice aimed at eliminating any possible competition.

The offense of attempting to monopolize requires proof of even more specific intent to commit predatory practices than mere monopolization. Furthermore, newspapers can be charged under Section 3 of the Clayton Act if they engage in such practices as selling below cost with the intent to destroy competition. Proof in these situations, however, is very difficult -- particularly in the newspaper industry which operates on very marginal economic grounds. The trend is toward fewer and fewer newspapers because of the economic limitations on the number of newspapers in a given market which can be viable. In these circumstances, practices which might in other conditions violate the antitrust laws are sometimes used and accepted as part of the struggle to survive.

Congress recognized this problem in its passage of the Newspaper Preservation Act (P. L. No 91-353 (1970)). This law immunizes existing joint newspaper operating agreements from the operation of the antitrust laws and exempts new agreements approved by the Attorney General upon finding that one of the jointly operated newspapers is in "probable danger of financial failure." The Antitrust Division also learned these harsh facts of life recently when a newspaper in Chattanooga after suit was brought by the Government folded rather than attempt to live with the restrictions proposed in the suit.

Therefore, before any action might be considered against the Los Angeles Times, there must be strong evidence of predatory practices on their part such as selling below cost, offering rebates to advertisers, or attempting to purchase smaller competitors. In discussing this general area with Bruce Wilson, Deputy Assistant Attorney General

for Antitrust, he mentioned almost all the cases concerning newspapers in which the Division was currently involved. The Los Angeles Times was not included among these, indicating that so far it has not engaged in any practices which have caused a competitor to complain.

TUESDAY, MAY 28, 1974

**U.S. SENATE,
SELECT COMMITTEE ON
PRESIDENTIAL CAMPAIGN ACTIVITIES
*Washington, D.C.***

The Select Committee met, pursuant to notice, at 10:40 a.m., in room S-143, the Capitol.

Present: Samuel Dash, chief counsel and staff director; Terry Lenzner, assistant chief counsel; Marc Lackritz, assistant counsel; Scott Armstrong, and Lee E. Sheehy, investigators; Fred Thompson, minority counsel; Dick Schultz, assistant minority counsel; Emily Sheketoff, minority investigator.

Senator INOUE. Raise your right hand, sir. Do you swear that the testimony you are about to give, will be the truth, the whole truth, and nothing but the truth, so help you God?

Mr. LARUE. I do.

Senator INOUE. Will you give your name and address?

Mr. LARUE. Fred C. LaRue, 1026 Hallmark Drive, Jackson, Miss.

Senator INOUE. Thank you very much.

Mr. LARUE. Thank you, Senator.

[Recess.]

Mr. ARMSTRONG. This is a continuation of the executive session begun this morning with Senator Inouye in his office.

Mr. LaRue, from January 1972, until sometime in 1973, did you serve as a special assistant to the campaign director of the Committee To Re-Elect the President?

**TESTIMONY OF FRED C. LARUE, ACCOMPANIED BY FRED VINSON,
COUNSEL**

Mr. LARUE. I'm sorry, would you repeat that?

Mr. ARMSTRONG. From January 1972, until sometime in 1973, did you serve as a special assistant to the campaign director of the Committee To Re-Elect the President?

Mr. LARUE. Yes. I'm not sure about the termination date of that, but that is basically correct. Whether it was terminated in late 1972, or early 1973, I'm just not sure.

Mr. ARMSTRONG. Subsequent to the election.

Mr. LARUE. That would be correct, yes.

Mr. ARMSTRONG. And prior to that time, where were you employed?

Mr. LARUE. Well, prior to that time I was self-employed, I was working on a voluntary basis as a special consultant to the President.

Mr. ARMSTRONG. In the Executive Office of the President?

Mr. LARUE. That's correct.

Mr. ARMSTRONG. And did there come a time in March 1972 when you traveled to Key Biscayne, Fla., to meet with the then-campaign

director, John Mitchell and Jeb Magruder to discuss the Presidential campaign?

Mr. LARUE. Again I would like to clarify that. I was in Key Biscayne, Fla., with Mitchell on vacation, and during that period of time I did meet with Mr. Magruder, Mr. Mitchell, and Mr. Flemming regarding the campaign.

Mr. ARMSTRONG. And was Mr. Rebozo present during any of the time you were in Key Biscayne?

Mr. LARUE. Yes.

Mr. ARMSTRONG. And do you recall on what type of occasion he was present?

Mr. LARUE. Well, it would be purely social occasions. I think Mr. Rebozo was at Mitchell's house when I arrived in Key Biscayne. I recall one instance where we went out on Mr. Rebozo's houseboat, and I, quite frankly, don't recall whether he went on the trip with us; I do know he took us down and got us situated on the boat. Whether he actually went with us or not I just don't remember.

Mr. ARMSTRONG. OK. During your visit in Key Biscayne on that occasion, did you discuss with Mr. Rebozo, campaign contributions?

Mr. LARUE. No.

Mr. ARMSTRONG. And did he discuss with you any specific campaign contributors?

Mr. LARUE. No.

Mr. ARMSTRONG. Did he transmit to you any cash, or any sealed envelope purported to contain campaign contributions?

Mr. LARUE. No.

Mr. ARMSTRONG. Did he give you any materials at all?

Mr. LARUE. No.

Mr. ARMSTRONG. For any purpose whatsoever?

Mr. DASH. Can you fix the date?

Mr. ARMSTRONG. This is in March 1972. Do you recall leaving Key Biscayne on approximately April 1, 1972, just the beginning of the Easter week?

Mr. LARUE. That is correct. As I recall, it was Friday or Saturday prior to Easter.

Mr. ARMSTRONG. And can you tell us where you traveled?

Mr. LARUE. Where I traveled?

Mr. ARMSTRONG. From Key Biscayne.

Mr. LARUE. I went to my home in Jackson, Miss.

Mr. ARMSTRONG. And did you subsequently return to Miami?

Mr. LARUE. That is correct.

Mr. ARMSTRONG. Do you recall approximately when you returned?

Mr. LARUE. The Monday following Easter.

Mr. ARMSTRONG. Which would be April 3?

Mr. LARUE. April 3.

Mr. ARMSTRONG. And do you recall, did you return to Key Biscayne after returning to Miami?

Mr. LARUE. No.

Mr. ARMSTRONG. Did you stay at the airport?

Mr. LARUE. Yes.

Mr. ARMSTRONG. OK. And whom did you meet there, and what did you do from there?

Mr. LARUE. I met Mr. Mitchell. We picked him up and came to Washington.

Mr. ARMSTRONG. Do you recall how you returned to Washington?

Mr. LARUE. Private plane.

Mr. ARMSTRONG. Was there anyone else accompanying you and Mr. Mitchell on that occasion?

Mr. LARUE. Not that I recall.

Mr. ARMSTRONG. And on April 3, did you leave the airport at any time?

Mr. LARUE. Not that I recall. As I recall we made a stop, refuel pickup, picked up Mr. Mitchell and came directly to Washington.

Mr. ARMSTRONG. While you were at the airport, did you meet anyone else at the airport, besides Mr. Mitchell?

Mr. LARUE. Again, as I recall, there were one or two FBI agents that brought Mr. Mitchell to the plane.

Mr. ARMSTRONG. Anyone else?

Mr. LARUE. Not that I recall.

Mr. ARMSTRONG. Did you see or talk to Mr. Rebozo on that day?

Mr. LARUE. No; not that I recall.

Mr. ARMSTRONG. And do you recall after seeing Mr. Rebozo in March 1972 in Key Biscayne, when you next saw or talked with Mr. Rebozo?

Mr. VINSON. Would you read that question back?

[Question read.]

Mr. LARUE. My best recollection would be when I went to Florida to pick up this money. I want to clarify that. There is a possibility that I saw Mr. Rebozo during the period of the convention when I was down there, but I just don't recall it.

Mr. ARMSTRONG. That would be August 1972.

Mr. LARUE. Yes.

Mr. ARMSTRONG. But, did you see Mr. Rebozo, or talk to Mr. Rebozo between your trip in March 1972 to Key Biscayne, and August 1972, the convention?

Mr. LARUE. And I do not recall seeing him during the convention, but I certainly don't want to rule out—there were so many people involved and present at various functions and meetings—

Mr. DASH. If you did see him during the convention it would be that you bumped into him or had seen him there; but would you have had meetings, or transactions?

Mr. LARUE. I recall no transaction or meeting, Mr. Dash. As I say, I certainly would not want to rule out—

Mr. DASH. The fact that you had seen him.

Mr. LARUE. Rule out the possibility that I had seen him casually, or talked to him casually at a function, or during the course of the convention. But, I do not specifically recall any such occasion.

Mr. ARMSTRONG. Now, through the convention in August 1972, were you aware of any role Mr. Rebozo played in campaign fundraising, during the 1972 campaign, other than just contributing himself?

Mr. LARUE. Through the—

Mr. ARMSTRONG. During the 1972 campaign, up to the point of the convention, were you aware of any role that Mr. Rebozo played in the campaign?

Mr. LARUE. No, sir.

Mr. ARMSTRONG. And until the time of the Watergate break-in in June 1972, did you handle any campaign funds, or any campaign cash?

Mr. LARUE. No.

Mr. ARMSTRONG. Now, did there come a time when you did receive a campaign contribution from Mr. Rebozo?

Mr. LARUE. Yes, sir.

Mr. ARMSTRONG. Could you explain just briefly the background, how that came about, and the events that ensued?

Mr. LARUE. Now, this was in connection with a request from the Nunn campaign for some financial help.

Mr. ARMSTRONG. That was Governor Nunn's senatorial campaign?

Mr. LARUE. That is correct.

My recollection, in advance I was contacted by Mr. Mitchell to see if we could raise some money, find some money for the Nunn campaign. As I recall, he suggested I contact Mr. Rebozo, that that might be a possible source of some funds. I contacted Mr. Rebozo and he indicated he could be of some help. I set up a meeting, went to Florida, met with Mr. Rebozo and picked up an amount of money in cash.

Mr. ARMSTRONG. OK. Let me take a step back. How did you first learn that the Nunn senatorial campaign was looking for additional campaign funds?

Mr. LARUE. Through conversations with Mr. John Kerr.

Mr. ARMSTRONG. And can you tell us approximately when these conversations would have occurred?

Mr. LARUE. As I recall there were several conversations, probably occurring in September, maybe as early as August.

Mr. ARMSTRONG. Of 1972?

Mr. LARUE. 1972, yes.

Mr. ARMSTRONG. Now, when you first spoke with him, did you commit yourself, one way or another, whether you had access to surplus campaign funds?

Mr. LARUE. No, I did not.

Mr. ARMSTRONG. And did you indicate to him what you would do from there?

Mr. LARUE. I only indicated that I would discuss it with people at the committee and get back in touch with him.

[Discussion off the record.]

Mr. LARUE. I also had some discussions with Mr. Kerr, I think, in the latter part of March of 1972 about the possibility, you know, of financial help for Mr. Nunn.

Mr. ARMSTRONG. And as a result of that conversation in March 1972, did you take any action, prior to this September-October—

Mr. LARUE. No.

Mr. ARMSTRONG. Now, was it in the context of these discussions with Mr. Kerr in August-September 1972, the conversation with Mr. Mitchell regarding where you might locate funds for the Nunn senatorial campaign?

Mr. LARUE. I don't think that is entirely correct, Mr. Armstrong. At a point in these conversations I suggested to Mr. Kerr that in my opinion, you know, if he were going to get any money out of this

campaign he would have to discuss it with someone other than me, and I think I suggested Mr. Mitchell.

Mr. ARMSTRONG. So, when Mr. Mitchell spoke with you and suggested that you contact Mr. Rebozo, did you raise the subject, or do you recall?

Mr. LARUE. My recollection is that he raised the subject.

Mr. ARMSTRONG. OK. Do you recall if Mr. Mitchell stated affirmatively that Mr. Rebozo had access to campaign funds?

Mr. LARUE. No, I do not.

Mr. ARMSTRONG. He suggested you contact him—

Mr. LARUE. That is my recollection.

Mr. ARMSTRONG [continuing]. To raise that question. And when you originally called Mr. Rebozo, did you indicate what the purpose that you were looking for campaign funds was?

Mr. LARUE. Mr. Armstrong, I'm sorry, I just do not know if I discussed that with Mr. Rebozo, or not.

Mr. ARMSTRONG. Do you recall if you specifically discussed the Nunn senatorial campaign?

Mr. LARUE. I don't recall it, but I doubt very seriously that I would have.

Mr. ARMSTRONG. And, did Mr. Rebozo indicate in your first conversation whether or not he would be able to help you in raising funds?

Mr. LARUE. This is my recollection, yes, sir. It was set up for me to pick up the money.

Mr. ARMSTRONG. Do you recall how much time there was between your first conversation and the meeting?

Mr. LARUE. No, I do not; I would only anticipate that it was a short lapse of time.

Mr. ARMSTRONG. A week, or two?

Mr. LARUE. At the most.

Mr. ARMSTRONG. And do you recall what period that would have been?

Mr. LARUE. My recollection is October.

Mr. ARMSTRONG. And do you recall specifically what arrangements you made to pick up the money, or meet with Mr. Rebozo?

Mr. LARUE. Just, you know, a time was arranged. As I recall I picked it up either on my way to Jackson, or returning from Jackson to Washington.

Mr. ARMSTRONG. This is Jackson, Miss.?

Mr. LARUE. Yes.

Mr. ARMSTRONG. And do you recall where you met with Mr. Rebozo?

Mr. LARUE. In his office at the bank in Key Biscayne.

Mr. ARMSTRONG. And, do you recall the form of the contribution when he gave it to you? Can you tell us what transpired in the office?

Mr. LARUE. You know, I met with Mr. Rebozo and I'm sure there was a conversation, probably about the Presidential campaign. As I recall I was in sort of a hurry to get back to the airport and catch a plane. I don't recall a long meeting, or extended meeting. At the conclusion of the meeting Mr. Rebozo gave me the envelope containing the money.

Mr. ARMSTRONG. OK. Do you recall if the envelope was open, or you noticed the denominations of the bills?

Mr. LARUE. I do not.

Mr. ARMSTRONG. Did you provide Mr. Rebozo with a receipt?

Mr. LARUE. No, I did not.

Mr. ARMSTRONG. Did Mr. Rebozo indicate the source of the funds?

Mr. LARUE. No, he did not.

Mr. ARMSTRONG. Do you recall if you inquired into the origin of the contribution?

Mr. LARUE. No, I did not.

Mr. ARMSTRONG. And do you recall the amount of cash that was in this envelope?

Mr. LARUE. I do not recall the exact amount of cash.

Mr. ARMSTRONG. I believe on prior occasions you indicated that you believed it was approximately the amount that you subsequently contributed to the Nunn campaign?

Mr. LARUE. That is my recollection; yes.

Mr. ARMSTRONG. That is your recollection of the events, as opposed to your recollection of our prior conversation?

Mr. DASH. Well, do you know the amount that would have been?

Mr. LARUE. No, sir; I do not.

Mr. ARMSTRONG. Now, from Key Biscayne, Mr. LaRue, can you tell us what happened to the money from that point forward?

Mr. LARUE. Well, I returned to Washington with the money. This is only conjecture on my part, but I am sure I would at some point have counted the money to have found out how much money was there, and reported this to Mr. Mitchell; and was instructed to deliver a sum of money—not deliver, but make available a sum of money to the Nunn campaign. I do not recall the specific amount of money that was.

Mr. ARMSTRONG. OK. I believe on April 9 you indicated to Mr. Sheehy and myself that you believed it was approximately \$20,000 to \$25,000; and a little while ago, I believe, you said it was between \$25,000 and \$30,000.

Mr. LARUE. My recollection is \$25,000 to \$30,000.

Mr. ARMSTRONG. Could it have been as much as \$50,000?

Mr. LARUE. That is certainly a possibility; yes, sir.

Mr. ARMSTRONG. I believe you indicated on April 9 that you didn't believe it could be——

Mr. LARUE. As I just said, I think I stated my recollection was, I thought it was in the range of \$25,000 to \$30,000. But, not knowing the specific amount I certainly don't want to say it was not \$50,000.

Mr. ARMSTRONG. Now, do you recall whom you gave it to?

Mr. LENZNER. Let me interrupt. In other words, your best recollection is it was around \$25,000, but it could have been up to \$100,000?

Mr. LARUE. Well, Mr. Lenzner, let me put it this way, you know, I just stated I can't tell you the exact sum. That certainly is not my recollection that it was \$100,000. I don't think I could just sit here and swear to you it was not \$100,000. But I believe, had it been in that amount, in that category, I would certainly be a little more apt to remember the exact amount of money, or it was a sizable contribution; I just don't recall it in those terms.

Mr. LENZNER. Do you have any recollection of Mr. Rebozo saying, "Here is *x* amount of money"?

Mr. LARUE. No, sir; I do not.

Mr. ARMSTRONG. I would like to review briefly some of the cash transactions you discussed with us, members of our staff, on July 7, 1973, in that interview prior to your public testimony. You said at that time that you recalled receiving approximately \$40,000, or \$41,000 in early July of 1972 from Mr. Stans via Mr. Mardian; and another \$40,000, \$41,000 from Mr. Sloan.

Mr. LARUE. That is correct.

Mr. ARMSTRONG. Early in July of 1972, but a total of \$81,000.

Mr. LARUE. Yes, sir.

Mr. ARMSTRONG. Which you stored in your file cabinet in your office.

Mr. LARUE. That is correct.

Mr. ARMSTRONG. And that sometime in September of 1972, you received from Mr. Kalmbach through Mr. Ulasewicz approximately \$30,000.

Mr. LARUE. That's correct.

Mr. ARMSTRONG. Which you also stored in your file cabinet.

Mr. LARUE. That is correct.

Mr. ARMSTRONG. And at that time you said the next receipt of cash you received was \$50,000 from Mr. Strachan, which would have been in December of 1972, which you picked up in Mr. Dean's office.

Mr. LARUE. I don't think I picked it up. I don't recall—

Mr. ARMSTRONG. Someone may have picked it up in Mr. Dean's office.

Mr. LARUE. I don't think I picked it up in Mr. Dean's office.

Mr. ARMSTRONG. Now, at that time you didn't discuss the receipt of this money from Mr. Rebozo.

Mr. LARUE. That's correct.

Mr. ARMSTRONG. Can you tell us why you didn't discuss it at that time?

Mr. LARUE. I stated throughout the recapitulation of this cash transaction I kept no records, and this was a best-efforts basis; it was just not a transaction that I recall.

Well, I guess another reason in recompiling, making a recapitulation of money connected with the so-called Watergate, the so-called hush money, payoff money, I would just not have considered this as a part of this money.

Mr. ARMSTRONG. OK. Where was this money physically located during the time you had custody of it?

Mr. LARUE. Where?

Mr. ARMSTRONG. The money you received from Mr. Rebozo.

Mr. LARUE. I'm sure it was located in my filing cabinet with the other money.

Mr. ARMSTRONG. Do you know whether or not the money was kept separate?

Mr. LARUE. I don't.

Mr. ARMSTRONG. Now, at the same time, we also discussed in terms of the disbursement cash that there were two disbursements to Mr. Kalmbach, \$20,000 during the July to September period; one to Mr. Kalmbach directly in Mr. Dean's office; and one to either Mr. Kalmbach or Mr. Dean for Mr. Kalmbach. Do you recall that?

Mr. LARUE. Yes, sir.

Mr. ARMSTRONG. And also that a \$30,000 contribution was returned to Anna Chennault due to the legal question of whether or not it was appropriate to receive money that is a foreign contribution.

Mr. LARUE. That is correct.

Mr. ARMSTRONG. And that was approximately in September 1972?

Mr. LARUE. That's correct.

Mr. ARMSTRONG. And in September or October 1972, you disbursed \$25,000 to Mr. Bittman in Mr. Bittman's office.

Mr. LARUE. That is correct.

Mr. ARMSTRONG. And I believe on that day you did not discuss any disbursements to the Nunn campaign, the senatorial campaign. Can you tell us why you didn't discuss that disbursement in July, last July?

Mr. LARUE. Well, as I stated, I just do not recall that transaction.

Mr. VINSON. I want the record to show what it showed prior to the public hearing; namely, Mr. LaRue kept no records of any of these transactions, and he attempted to reconstruct receipts to the best of his ability. He was unable to pinpoint precise dates or precise amounts.

Mr. ARMSTRONG. Now, at any time prior to the election of 1972, did Mr. Rebozo advise you that he had given to anyone else, or was transmitting to you, any contributions from Mr. A. D. Davis?

Mr. LARUE. No.

Mr. ARMSTRONG. And did he ever indicate that he had transmitted to you, or was transmitting to you a \$50,000 contribution from any individual?

Mr. LARUE. I'm not sure I understand your question.

Mr. ARMSTRONG. Did he indicate he was transmitting, or had transmitted to anyone else, or was transmitting to you, a specific \$50,000 contribution from an individual who was not identified?

Mr. LARUE. No.

Mr. ARMSTRONG. And at any time prior to April 7, 1972, did Mr. Rebozo transmit any amount of money, any campaign contribution to you?

Mr. LARUE. No.

Mr. ARMSTRONG. Or, to your knowledge, did he transmit any amount of money, or campaign contribution to the Presidential campaign in 1972?

Mr. LARUE. Not to my knowledge.

Mr. LENZNER. With regard to the April 7 date, Mr. Mitchell's diary reflects that you met with him and Mr. LaRue on April 4—various times, April 5, 6, and 7, in Washington, D.C.; is that also your recollection, as purport his diary entries? I know you can't remember the exact dates.

Mr. LARUE. Well, I met with Mr. Mitchell virtually every day I was in Washington, and I think the diary will so reflect.

Mr. ARMSTRONG. Now, Mr. LaRue, do you recall on April 9, 1974, a meeting with Mr. Sheehy and myself at Mr. Vinson's office and relating the information we just discussed?

Mr. LARUE. Yes, sir.

Mr. ARMSTRONG. OK. Was there any difference between what you related today, and what you related then?

Mr. LARUE. I don't think there is any substantial difference. You probably have a better recollection of that than I do.

Mr. ARMSTRONG. I did note in the record two differences in what we had in our notes, and what you recall today. But, other than that,

was there any additional material that you at any time related to us on that occasion, that Mr. Rebozo had advised you that he had given you a contribution which had come from Mr. A. D. Davis?

Mr. LARUE. No, sir.

Mr. ARMSTRONG. Now, subsequent to your receipt of these funds from Mr. Rebozo, in approximately October 1972, did you arrange for any receipt to be given to Mr. Rebozo, or any thank-you letter to be sent to him?

Mr. LARUE. Did I?

Mr. ARMSTRONG. Yes.

Mr. LARUE. No.

Mr. ARMSTRONG. Are you aware of anyone else authorizing a thank-you letter?

Mr. LARUE. No, I'm not.

Mr. ARMSTRONG. And did you, yourself, receive any receipt, or thank you for the contribution to the Nunn senatorial campaign?

Mr. LARUE. No; I did not.

Mr. ARMSTRONG. Is there any correspondence which would track any of the transactions we discussed today?

Mr. LARUE. No.

Mr. ARMSTRONG. Now, subsequent to our meeting on April 9, 1974, you had contact with Mr. Rebozo and Mr. Frates?

Mr. LARUE. Subsequent to what?

Mr. ARMSTRONG. Subsequent to your meeting with Mr. Sheehy and myself.

Mr. LARUE. Yes; I talked to Mr. Rebozo, and I don't know the exact date. It was approximately 2 weeks ago, I think, concerning an article, a newspaper article that appeared in a Jackson newspaper. It was an AP article, and probably the source was a Washington Post article which stated that I denied, I think, ever receiving money from Mr. Rebozo. I did call Mr. Rebozo and, you know, just explained to him that the article was incomplete; and I guess going over some of the same areas of discussion that you and I had on April 9.

Mr. ARMSTRONG. Did you relate to him any information that was inconsistent with the information you related today?

Mr. LARUE. No, sir, not that I recall.

Mr. DASH. The matter that was incomplete was that, in fact, sometime in September or October you did receive money.

Mr. LARUE. That is correct.

Mr. DASH. Which you now testify was involving the Nunn campaign.

Mr. LARUE. That is correct.

Mr. DASH. That is what you wanted to correct.

Mr. LARUE. Yes, sir. Maybe I should not have done it, but such an article appeared and it certainly upset me, and I wanted Mr. Rebozo to know that the article was incomplete.

Mr. DASH. And what did Mr. Rebozo say?

Mr. LARUE. Pardon me?

Mr. DASH. What did Mr. Rebozo say to you, if anything?

Mr. LARUE. Well, I recall specifically that he said he certainly was not worried about that, he knew—you know, I would not deny ever receiving any money from him.

Mr. DASH. Did he tell you, or ask you to recall whether you had received the A. D. Davis contribution for \$50,000, sometime before April 7, 1972?

Mr. LARUE. I do not recall any such discussion.

Mr. DASH. Now, the newspaper—

Mr. LARUE. The news report carried, of course, the Davis story.

Mr. DASH. The report directed itself to that particular contribution.

Mr. LARUE. Pardon me?

Mr. DASH. The news report directed itself to that particular contribution.

Mr. LARUE. That is correct.

Mr. DASH. And you recall, you in fact indicated, informed this committee that you did receive a contribution from him later on in the fall—

Mr. LARUE. Yes, sir.

Mr. DASH [continuing]. To the Nunn campaign. Was there any discussion between you and Mr. Rebozo at the time—

Mr. LARUE. Whether this was the Davis contribution?

Mr. DASH. Or whether or not you ever received funds from him from an A. D. Davis contribution.

Mr. LARUE. Mr. Dash, I just do not recall that being any part of the conversation.

Mr. ARMSTRONG. Do you recall Mr. Rebozo's reaction when you told him you had received money in October of 1972?

Mr. LARUE. Here again, I'm not precisely sure that I said I received the money in October of 1972. I do recall—I say I recall, I do think that I discussed with Mr. Rebozo that there seemed to be a discrepancy on the date when I received the contribution.

Mr. ARMSTRONG. Did he indicate—

Mr. LENZNER. What was his response to that?

Mr. LARUE. What was his response?

Mr. LENZNER. Yes; when you indicated there was a discrepancy.

Mr. LARUE. I'm sorry, I just don't recall. I mean the basic tenor of this conversation, Mr. Lenzner, was that, you know, Mr. Rebozo assured me that he did not feel that I was—that he was glad that I called and reaffirmed the fact that I had not denied getting money.

Mr. DASH. To clarify this, did you say anything to Mr. Rebozo indicating that, as a matter of fact, you did tell this committee that you received the A. D. Davis contribution of \$50,000?

Mr. LARUE. I certainly do not recall any such contribution. Mr. Dash, you know, I wouldn't have known whether it came from Mr. Davis, or Mr. Rockefeller, or any one else.

Mr. DASH. And had you mentioned in that conversation the Nunn campaign?

Mr. LARUE. To this date, knowing all that I know now, I couldn't sit here and testify that I received an A. D. Davis contribution.

Mr. DASH. Did you discuss—did you mention in the telephone conversation the fact the money was for the Nunn campaign, to your recollection, whether you mentioned a date or not? As I take it, I'm trying to clarify the question, you were calling him because you felt the newspaper story was incomplete.

Mr. LARUE. That is correct.

Mr. DASH. And you wanted to reassure him that you had told this committee correctly and truthfully that you had received money from Mr. Rebozo.

Mr. LARUE. Yes, sir.

Mr. DASH. And in that conversation that you mentioned, do you recall whether you discussed with him that that contribution related to the Nunn campaign?

Mr. LARUE. I'm sorry, I don't recall that.

Mr. LENZNER. Well, did Rebozo indicate to you that the money he gave you in October was in fact the A. D. Davis money?

Mr. LARUE. Mr. Lenzner, I do not recall a discussion of Mr. Davis, whose money it was; I just don't recall.

Mr. ARMSTRONG. Did Mr. Rebozo indicate if or why he kept that campaign contribution for 6 months?

Mr. LARUE. No.

Mr. ARMSTRONG. There was no discussion about that.

Mr. LARUE. No, sir.

Mr. ARMSTRONG. Or the significance of reporting before April 7, or after?

Mr. LARUE. No, sir.

Mr. DASH. Again, I would like to have on the record that the purpose of your call was prompted by a newspaper—

Mr. LARUE. Yes, sir.

Mr. DASH [continuing]. Story that specifically referred to the A. D. Davis contribution of \$50,000.

Mr. LARUE. Yes, it did.

Mr. DASH. And in that conversation with Mr. Rebozo you don't recall Mr. Rebozo making any reference to that particular contribution.

Mr. LARUE. I do not recall that; no.

Mr. LENZNER. Well, did he provide you with any information at all with regard to what his position was relating to the money?

Mr. LARUE. No. I don't know whether I understand your question, but the conversation was basically centered around my, I guess reassuring Mr. Rebozo that I had not denied receiving money from him. That I had testified, stated it both to the Senate staff and the Special Prosecutor.

Mr. LENZNER. Well, did he say, "Do you remember coming down to Key Biscayne and picking the money up in April of 1972 from me?"

Mr. LARUE. No.

Mr. LENZNER. He did not say that?

Mr. LARUE. No.

Mr. LENZNER. Did he indicate how much he had given you?

Mr. LARUE. No; I don't recall that, either.

Mr. LENZNER. Did you indicate to him how much you thought you had gotten?

Mr. LARUE. No.

Mr. LENZNER. Did you indicate that you couldn't remember?

Mr. LARUE. That's correct; yes.

Mr. LENZNER. And did he indicate at that time his recollection of how much he did furnish you?

Mr. LARUE. I'm sorry, I don't recall.

Mr. LENZNER. He didn't say, "Remember, I gave you \$50,000 at that time"?

Mr. LARUE. I don't recall any such conversation.

Mr. ARMSTRONG. Mr. LaRue, do you recall if you received the money from Mr. Rebozo before or after you disbursed the \$25,000 to Mr. Bittman's office?

Mr. LARUE. No. 1, I can't really pinpoint the date, I don't think it was the Bittman disbursement.

Mr. DASH. However, while we are still at the more recent conversation, I think it's important to follow that up. Besides that telephone conversation with Mr. Rebozo, was there any other, more recently?

Mr. LARUE. I had no more conversations.

Mr. DASH. So, this was the only telephone conversation—

Mr. LARUE. That was the only conversation that I had.

Mr. DASH [continuing]. With regard to this newspaper story—

Mr. LARUE. Yes; that's correct.

Mr. DASH [continuing]. About this money that you received from Mr. Rebozo.

Mr. LARUE. That is correct.

Mr. ARMSTRONG. And you had no contact with Mr. Frates?

Mr. LARUE. Yes; I did. I had a call about—oh, it was last week.

Mr. ARMSTRONG. Could you tell us what the subject of that conversation was?

Mr. LARUE. Yes; it was a call from Mr. Frates and he said he had been deluged by reporters, you know, on this contribution, and wanted to clarify, in his own mind, what I discussed with the Senate staff. And I went over, you know, not in great detail, but just the basic facts, that I had acknowledged to you that I received the money, that I did not know exactly the amount of money, I did not count the money in Mr. Rebozo's office. And that I recall no mention of Mr. Davis at all.

Mr. ARMSTRONG. By Mr. Rebozo.

Mr. DASH. By Mr. Frates.

Mr. LARUE. No; by Mr. Frates. I also told Mr. Frates that in my recollection I picked up the money in October.

Mr. ARMSTRONG. Did you indicate to Mr. Frates whether or not you had been asked by us whether you received a contribution that Mr. Rebozo indicated was an A. D. Davis contribution?

Mr. LARUE. Did I indicate? Here again, I just don't recall a discussion of Mr. Davis in the conversation. This was a very short conversation, and quite frankly, I was trying to terminate it as quickly as I could.

Mr. LENZNER. What was his reaction when you said it was October?

Mr. LARUE. I didn't get any particular reaction from him.

Mr. ARMSTRONG. Do you recall what date that was last week?

Mr. LARUE. I would say Wednesday, or Thursday of last week.

Mr. DASH. Was that the only time you have spoken with Mr. Frates recently?

Mr. LARUE. The only time I have ever spoken to him.

Mr. LENZNER. Well, did he indicate that his client testified that he had given you \$50,000 in April of 1972?

Mr. LARUE. I don't think so; no. As I said, it was a very brief conversation, basically two or three facts, that I had acknowledged getting

money from Mr. Rebozo; did not remember the amount of the money; and did not know the amount of the contribution to Mr. Nunn.

Mr. LENZNER. Did you tell him that you referred the funds to the Governor Nunn campaign?

Mr. LaRUE. Yes, sir.

Mr. LENZNER. Did Mr. Frates have any reaction to that?

Mr. LaRUE. No, sir.

Mr. LENZNER. Did he indicate what, if anything, he was going to do with the information you had furnished him?

Mr. LaRUE. Did he indicate what he was going to do with it?

Mr. LENZNER. Yes.

Mr. LaRUE. He indicated that he was going to make a response to the press.

Mr. LENZNER. Utilizing your—

Mr. LaRUE. I told him I did not want to be quoted. I did not want to get into this controversy, to leave my name out. He indicated that was the purpose of his call.

Mr. DASH. Just so the record is straight, did you, during this conversation with Mr. Frates, tell him that you had told this committee, in fact, that you received sometime pre-April 7, 1972, a \$50,000 contribution from A. D. Davis to Mr. Rebozo?

Mr. LaRUE. No, sir, I did not.

Mr. ARMSTRONG. Do you recall, Mr. LaRue, whether or not the receipt of the contribution from Mr. Rebozo, in approximately October of 1972, was before or after the disbursement to Mr. Bittman?

Mr. LaRUE. No; I can't pin it down before or after.

Mr. ARMSTRONG. Is there any reason—I think you indicated previously that you felt Mr. Rebozo's money was not part of the money that you associated with the payment to defendants, or coverup money. Is there any reason why you don't associate those two?

Mr. LaRUE. I associate it with a contribution that went into this Senate campaign. I still do associate it with that, that was my association.

Mr. ARMSTRONG. Did you have any discussion with Mr. Rebozo about the fact you made payments to defendants during this period?

Mr. LaRUE. No; I didn't have any discussion with Mr. Rebozo, but I think certainly that has been common knowledge for many a year.

Mr. ARMSTRONG. No; during October 1972, when you picked up the contribution.

Mr. LaRUE. No, sir.

Mr. ARMSTRONG. Did you have any discussion with Mr. Mitchell regarding Mr. Rebozo—the availability of funds from Mr. Rebozo during that period, other than the Nunn senatorial campaign?

Mr. LaRUE. No; I did not.

Mr. ARMSTRONG. When you spoke with Mr. Mitchell, did he indicate how much money you might expect to get from Mr. Rebozo?

Mr. LaRUE. No, he did not.

Mr. DASH. Prior to going on the record, there was a discussion of Mr. Mitchell's involvement and why Mr. LaRue went down to pick up the money. We don't have that on the record.

Mr. ARMSTRONG. I think we do.

Mr. DASH. If he did testify, I take it back.

Mr. ARMSTRONG. Can you describe the conversation you had with Mr. Mitchell concerning the payment of funds to defendants themselves, or their attorneys?

Mr. LaRUE. What period?

Mr. ARMSTRONG. We are talking about from the time of the break-in up to October 1972.

Mr. VINSON. Read the question back.

[Question read.]

Mr. LaRUE. I think my testimony before the Senate Select Committee indicates that the only direct conversation, the only conversation I recall having with Mr. Mitchell about the payment of money to defendants, was regarding the last payment that was delivered to Mr. Bittman involving the \$75,000.

Mr. ARMSTRONG. On March 21, 1973?

Mr. LaRUE. On March 21, yes.

Mr. ARMSTRONG. Do you recall now—I note from your log—during the course of the summer, even after Mr. Mitchell's resignation from the Committee To Re-Elect the President, you had a number of meetings and conversations with him up through the period of the election. Do you recall, if during the course of these meetings, you ever discussed the fact that any campaign funds were, or might be used for payment to defendants, or their attorneys, legal fees?

Mr. LaRUE. No, I do not recall such conversations.

Mr. LACKRITZ. Let me put it this way, Mr. LaRue, during this period from June 17 until October 1972, you did have conversations with Mr. Mitchell in which he was aware that you had cash.

Mr. LaRUE. That is correct.

Mr. LACKRITZ. In your file cabinet.

Mr. LaRUE. I don't know if he was aware of that. He was aware I had cash.

Mr. LACKRITZ. He was aware that you had substantial cash contributions.

Mr. LENZNER. Cash.

Mr. LaRUE. Yes.

Mr. LACKRITZ. Did he make any reference to the cash that you had in your possession when he asked you to check with Rebozo on getting a contribution for the Nunn campaign?

Mr. LaRUE. I'm sorry, I do not know. That is certainly a possibility. He may have asked me if I had a substantial amount of cash available and I would have told him, no.

Mr. LACKRITZ. But that you did have some cash.

Mr. LaRUE. Well, not substantial amounts.

Mr. LACKRITZ. How much?

Mr. LaRUE. Well, it looked like I had perhaps \$15,000 from the recapitulation of the receipts and expenditures.

Mr. LACKRITZ. And this was the money you were using to make payments to defendants and attorneys?

Mr. LaRUE. That is correct.

Mr. ARMSTRONG. Would Mr. Mitchell have been aware of the fact that at one time you had substantially more money than the \$15,000, that you received a total of about \$100,000 over the course of that summer?

Mr. LARUE. I would assume that Mr. Mitchell was aware of the \$81,000 being delivered to me. I can't recall a specific discussion of this, but I would just assume he was aware.

Mr. ARMSTRONG. And would he have been aware of the disbursement made of those funds?

Mr. LARUE. Here again, I don't recall specifically discussing this with him. I'm just recalling his testimony, I believe he stated he was aware; I'm not positive.

Mr. ARMSTRONG. That disbursements were made to defendants?

Mr. LARUE. Yes, sir.

Mr. ARMSTRONG. And do you recall an occasion where you discussed whether or not there might be funds available for the Nunn senatorial campaign, and if Mr. Mitchell inquired, or indicated that he was aware of how much money you had at that time?

Mr. LARUE. No.

Mr. ARMSTRONG. OK. Was it your impression that he was also aware of the fact you had continuing need to be disbursing funds to the defendants and to their attorneys?

Mr. LARUE. That was my impression, yes.

Mr. ARMSTRONG. And when he indicated that you should contact Mr. Rebozo for funds, did he indicate specifically for the Nunn senatorial campaign?

Mr. LARUE. We were discussing the Nunn senatorial campaign and they needed some funds, you know, for that purpose, in the context of me contacting Mr. Rebozo.

Mr. ARMSTRONG. Did he ever indicate at any other time the fact that Mr. Rebozo had funds available for other purposes?

Mr. LARUE. Not that I recall, no.

Mr. ARMSTRONG. Did anyone else ever indicate that to you?

Mr. LARUE. Not that I recall.

Mr. ARMSTRONG. Did you ever become aware that Mr. Rebozo had any additional campaign funds available, prior to this past fall, the press accounts of the Hughes contribution?

Mr. LARUE. No, sir.

Mr. ARMSTRONG. Incidentally, when you called Mr. Rebozo the first time about a contribution for a senatorial campaign, did Mr. Rebozo indicate that he had the money ready, had it on hand, or that he would have to check and call you back?

Mr. LARUE. No, he indicated, to the best of my recollection, that he would be able to provide some help, you know. As I recall, I set up that meeting when that phone call was made.

Mr. DASH. I don't believe that it is in the record, you initiated the call to Mr. Rebozo.

Mr. LARUE. Yes, sir.

Mr. DASH. Indicating whether or not he could help in the Nunn campaign.

Mr. LARUE. I'd like to clarify, I don't think the Nunn campaign was mentioned.

Mr. DASH. But, you initiated the call indicating the need for money, for contributions; correct?

Mr. LARUE. Right.

Mr. DASH. Do you recall approximately, to the best of your recollection, what Mr. Rebozo's response was? Did you tell him at that time that Mr. Mitchell had asked you to call him?

Mr. LARUE. I could assume that—I'd hate to indicate to you—

Mr. DASH. That was the first time you ever contacted Mr. Rebozo for funds.

Mr. LARUE. That is correct. So, I would have had to indicate why—

Mr. DASH. Why you were calling.

Mr. LARUE [continuing]. I was calling him, and certainly indicate the source, because otherwise I would have no reason to call him.

Mr. DASH. Now, to the best of your recollection, do you recall how Mr. Rebozo responded to that call?

Mr. LARUE. That he could provide some help. And I suggested a date, and that was agreeable to him. I met him and picked up the money.

Mr. DASH. How long was the time period between the time of the call—

Mr. LARUE. I would think—

Mr. DASH. My question is not complete, do you recall the date you agreed upon, how many days?

Mr. LARUE. My recollection is just a very few days, within a week, put it that way.

Mr. DASH. Now, was that time arranged on the basis of convenience of either his time schedule, or yours?

Mr. LARUE. I think I suggested the time schedule, Mr. Dash, because I wanted to do this on either to or from a trip to Jackson. In other words, I went either from Washington to Miami to Jackson, or Jackson-Miami-Washington.

Mr. DASH. If you had, for instance, indicated to Mr. Rebozo you would like to come by the very next day, would Mr. Rebozo had the money ready for you, to the best of your recollection? Or was the very few days your time schedule?

Mr. LARUE. Well, my recollection is that, you know, he indicated he would provide that help; and I indicated I would like to do it on a certain date because, as I said, of the convenience from my standpoint of doing this either to or from a trip to Jackson.

Mr. DASH. So, I take it from your testimony there was no statement from him one way or another, whether he had the money on hand, or he would have it ready when you arrived.

Mr. LARUE. No, sir.

Mr. ARMSTRONG. One point I want to clarify, Mr. LaRue, do you recall if you kept the money you received from Mr. Rebozo separate from the other funds?

Mr. LARUE. No; I did not.

Mr. ARMSTRONG. So, in essence you can't be sure that the money you received from Mr. Rebozo was not money that was used to pay defendants, or pay their legal fees; in other words, wasn't the money that went to Mr. Bittman.

Mr. LARUE. Well, that would have to be a correct statement. In other words, whether this money that I picked up from him, if it were commingled, it would be somewhat of a coincidence, perhaps getting

money out that I had available, that this would have been that specific amount of money. I did not earmark money. There was Mr. Rebozo's money, Mr. Kalmbach's money, or Chennault's money. I did not foresee at that particular time what was lying ahead, and I just didn't do that. It was just treated as cash money. Whether this money was commingled with the other, I couldn't tell you.

Mr. LENZNER. They were all \$100 bills.

Mr. LARUE. That's right, as I said earlier.

Mr. DASH. Actually the answer to the question by Mr. Armstrong would be, yes, it's possible?

Mr. LARUE. Yes; it is possible.

Mr. VINSON. And it is also possible that it was not.

Mr. LARUE. Yes.

Mr. ARMSTRONG. But the reason you distinguish that money, however, from the other funds which were raised for the purpose of being distributed to defendants or their attorneys was—this money had been raised for the senatorial campaign?

Mr. LARUE. Well, I don't know what the money was raised for.

Mr. ARMSTRONG. Well, you solicited it from Mr. Rebozo.

Mr. LARUE. I solicited the money on the basis of, not the Nunn campaign; and I can't even specifically tell you that I solicited it on the basis of a senatorial campaign; I just solicited the money. Now, whether I said, "This is for a senatorial campaign," or, your know—I'm certain I didn't go down and say, "This is for the Watergate defendants," because this would have made no sense at all. The purpose of going down there was to get money for the Nunn campaign. Whether I reported this to Mr. Rebozo at that time, I couldn't tell you.

Mr. ARMSTRONG. Well, is it safe to assume that the amount given to the Nunn campaign would have been the same, or more, than you received from Mr. Rebozo? In other words, that all of Mr. Rebozo's money went to the Nunn campaign?

Mr. LARUE. I cannot assume that, no, sir; I stated that earlier. The decision on how much money to give to the Nunn campaign was not made until after the contribution, or the money was picked up from Mr. Rebozo. I mean, I do recall that.

Mr. LENZNER. Who made that decision?

Mr. LARUE. Mr. Mitchell.

Mr. ARMSTRONG. On what basis was that decision made?

Mr. LARUE. You would have to ask Mr. Mitchell that, I really don't know; there could have been a basis of funds available; it could have been a basis of what he felt would be satisfactory to whatever commitment he might have felt was existing; I just don't know.

Mr. DASH. Mr. LaRue, Mr. Rebozo knew you were working in the Committee To Re-Elect the President.

Mr. LARUE. Yes, sir.

Mr. DASH. Are you saying now, in calling him and asking him for a contribution, your recollection is that since this was the first time you called him for a contribution you must have told him the source, why you were calling him, that you may have represented to him that you needed this contribution for the President's reelection?

Mr. LARUE. Mr. Dash, I just can't answer that question. I do not recall, I don't remember the basis on which—

Mr. DASH. The purpose of the question is, if you had said nothing other than that Mr. Mitchell asked you to call, get in touch with Mr. Rebozo for a contribution, and having been working with the Committee To Re-Elect the President, wouldn't the natural assumption be that you needed the contribution for the reelection of the President; if you didn't make any other statement?

Mr. LaRUE. That would be a natural assumption; I agree with that.

Mr. DASH. And since this was the very first contact you made with Mr. Rebozo and he didn't know that you were having other roles in raising funds, other than for the reelection of the President; and since you, in fact, you were asked by Mr. Mitchell to call for a senatorial campaign—I know you are trying to recall, I am not trying in any way to put words in your mouth, I am helping you to recall, refresh your recollection—would it not be more likely as to not misrepresent to Mr. Rebozo what the money was for, that you would have indicated it was for something other than the Presidential election?

Mr. LaRUE. That is certainly a possibility, that I could have indicated it was for a senatorial campaign. I do doubt seriously, as I said, that I would have mentioned a specific campaign to him, that would have been contrary to my nature.

Mr. LENZNER. Going back for a second, first, I think you did say—Mr. LaRue, to Mr. Armstrong and Mr. Sheehy on April 9, 1974—these notes reflect your statement—that you had indicated to Mr. Rebozo that the money was for a senatorial campaign. Is that correct? Do you recall telling Mr. Armstrong and Mr. Sheehy that on April 9, 1974, that the contribution was for a senatorial campaign, and you did not tell him which senatorial campaign?

Mr. LaRUE. I'm sure I did not tell him which senatorial campaign.

Mr. LENZNER. But you do remember telling him that it was for a—

Mr. LaRUE. No; I don't. I can't just sit here and swear to you that I told Mr. Rebozo this money was for a senatorial campaign. I would certainly think that I did tell him that, Mr. Lenzner, but—

Mr. LENZNER. Well, it is possible also that you didn't tell him what purpose this money was for?

Mr. LaRUE. That's a possibility.

Mr. LENZNER. So, it's a possibility you went down without asking for a specified amount of money without a specified purpose. Mr. Rebozo furnished you with cash which you put into your cabinet with other cash. At a later time, out of that entire amount of cash, Mr. Mitchell designated a certain amount for the Nunn campaign, and the rest was provided to Mr. Bittman and others involved in the Watergate case; is that an unfair description?

Mr. LaRUE. That's a possibility. I would say that would have to be a possibility; yes.

Mr. ARMSTRONG. You said before that you weren't sure exactly how Mr. Mitchell arrived at the decision of how much to give to the Nunn campaign. Do you know if he was aware how much you raised from Mr. Rebozo? You informed him of that?

Mr. LaRUE. I think I stated to you the other day that I'm sure I did, Mr. Armstrong; I would say that is just a logical sequence of events that I would report the amount of money I got.

Mr. ARMSTRONG. Do you recall any discussion that would indicate—with Mr. Mitchell—whether all, or some portion of the money from Mr. Rebozo should go to the Nunn campaign?

Mr. LARUE. I do not.

Mr. LACKRITZ. I would like to ask a couple different questions, Mr. LaRue. Going back to the meeting with Mr. Rebozo in his office at the bank, did Mr. Rebozo have the money present when you walked into his office?

Mr. LARUE. No; I don't think so. He left the office and got the money, and brought it back. I don't think he left the premises. The money wasn't physically in his office, as I recall, he went somewhere to get it.

Mr. LACKRITZ. Did he tell you where he was going? Did he tell you he was going to a safe-deposit box to get the money?

Mr. LARUE. No.

Mr. LACKRITZ. How long was he gone from the room?

Mr. LARUE. The whole meeting, you know, didn't last over 15 or 20 minutes.

Mr. LACKRITZ. All right. But, you do recall that he left the room for a short period of time and came back with the money?

Mr. LARUE. Yes, sir.

Mr. LACKRITZ. And when he came back with the money, how was the money—

Mr. LARUE. In an envelope. As I recall it was a manila envelope about this size.

Mr. LACKRITZ. About 8½ by 14?

Mr. DASH. That's according—

Mr. LACKRITZ. The envelope that Mr. LaRue is pointing at is approximately 8½ by 14.

Mr. LARUE. I would say approximately that size.

Mr. LACKRITZ. Did it have any markings on it, was it a Key Biscayne bank—

Mr. LARUE. I don't recall any markings; no.

Mr. LACKRITZ. Was it sealed?

Mr. LARUE. To the best of my recollection, yes, sir.

Mr. LACKRITZ. And there were no markings of any kind on the envelope?

Mr. LARUE. I don't recall any markings.

Mr. LACKRITZ. All right. Did you speak to anyone besides Mr. Kerr in the Nunn campaign?

Mr. LARUE. Not that I recall. As far as I know and remember, I knew really no one connected with that campaign other than Governor Nunn. I do not recall any discussions with anyone other than with Mr. Kerr.

Mr. LACKRITZ. All right. Did you have any knowledge, or do you have any knowledge of former Attorney General Mitchell's meeting with Governor Nunn in the spring of 1972?

Mr. LARUE. I don't have any knowledge, but I certainly wouldn't discount that as a possibility.

Mr. LACKRITZ. Do you have any recollection of being asked to set up a meeting by Mr. Kerr, or Governor Nunn's aides?

Mr. LARUE. With Mr. Mitchell?

Mr. LACKRITZ. With Mr. Mitchell.

Mr. LARUE. No; I do not.

Mr. LACKRITZ. The reason I asked the question—Mr. Mitchell's log indicates that on May 3, 1972, he met with Governor Nunn for roughly an hour; I was just wondering if you—

Mr. LARUE. I don't recall setting up any meeting; no. And, I certainly don't think I was present at the meeting. Does his diary so indicate?

Mr. LACKRITZ. No; it doesn't indicate that. All right, was anybody with you when you traveled to Key Biscayne—

Mr. LARUE. No.

Mr. LACKRITZ [continuing]. For the meeting with Mr. Rebozo?

Mr. LARUE. No.

Mr. LACKRITZ. How did you travel on that occasion?

Mr. LARUE. It would be commercial airline.

Mr. LACKRITZ. Do you have any airline credit card which would help reconstruct it?

Mr. LENZNER. Would you have paid for the ticket with cash?

Mr. LARUE. Check, or cash.

Mr. LENZNER. Do you have a canceled check?

Mr. LARUE. My canceled checks—there is no record of it. However, there is a possibility the ticket could have very well been written through the committee, we did this quite frequently. We had a facility and wrote our own tickets up.

Mr. LENZNER. And that would be paid for by the Committee To Re-Elect the President?

Mr. LARUE. Yes, sir.

Mr. LENZNER. Do you have any expense record or voucher that would reflect cash expenditures?

Mr. LARUE. No.

Mr. ARMSTRONG. How did you travel from the airport to the Key Biscayne bank?

Mr. LARUE. As I recall, I traveled in a cab; and I am virtually certain that the cab waited for me.

Mr. ARMSTRONG. And how long would you have been inside the bank?

Mr. LARUE. That's the reason I am fairly sure it was a fairly short meeting, 15 or 20 minutes.

Mr. ARMSTRONG. You don't recall what kind of cab it was—I'm sorry.

Mr. LENZNER. Do you remember meeting anyone else in the bank, besides Mr. Rebozo on that occasion?

Mr. LARUE. No; I don't.

Mr. DASH. When the Committee To Re-Elect the President obtained a ticket—an airline ticket for you for a particular trip—did it have your name on the ticket?

Mr. LARUE. Oh, yes, sir.

Mr. DASH. Do you know what particular line you would usually fly down on?

Mr. LARUE. Well, Mr. Vinson asked me that, and I immediately said National, and then I realized that Eastern also flies directly to Miami. My preference is National, but if the schedule was more convenient on Eastern—

Mr. VINSON. I think the record shows that Mr. LaRue stated he was not sure whether he made a stop on a trip from Washington-Miami-Jackson, or on the trip back from Jackson to Miami to Washington.

Mr. DASH. Do you recall the time of the day that you were at the bank, morning, afternoon; was it day, or night?

Mr. LARUE. Well, I think it was in the day, you know, the bank was open, as I remember.

Mr. DASH. Regular bank time?

Mr. LARUE. It must have been banker's hours.

Mr. DASH. There was no special arrangement for Mr. Rebozo to come in a particular time.

Mr. LARUE. No, sir.

Mr. ARMSTRONG. Do you recall the airline you would fly from Miami to Jackson on?

Mr. LARUE. That would be National. Here again I'm not sure, there are two ways to go from Miami to Jackson, either you go through New Orleans, or go to Birmingham direct to Miami, or vice versa.

Mr. ARMSTRONG. But there is no direct flight.

Mr. LARUE. No direct flight. There is no direct flight to Jackson from anywhere.

Mr. LENZNER. From West Point there is.

Mr. LARUE. West Point, Miss?

Mr. LENZNER. Yes.

Mr. LARUE. That may be.

Mr. ARMSTRONG. Oh, one question which I think was covered off the record before, but not on the record. Do you recall if the money that went to the Nunn campaign was actually going to a committee for the Nunn Senate campaign, or possibly to the Kentucky Committee To Re-Elect the President?

Mr. LARUE. I have no way of knowing where the money ended up, Mr. Armstrong. It was my understanding that the money was going to the Nunn campaign.

Mr. ARMSTRONG. The senatorial campaign?

Mr. LARUE. Yes.

Mr. LENZNER. Just one or two items here. Did you have any contact with Mr. Rebozo after you obtained the funds from him, and before you called him, after your appearance here?

Mr. LARUE. Yes, I have seen Mr. Rebozo during this time period, yes.

Mr. LENZNER. And did you have any discussions with him in regard—

Mr. LARUE. I can't think of any discussions regarding contributions, campaign money.

Mr. LENZNER. You had no discussions regarding campaign funds with Mr. Rebozo between October of 1972 and April of 1974?

Mr. LARUE. No; I don't recall any discussions.

Mr. LENZNER. Did you have any discussions with regard to your testimony before the Senate committee in public, relating to funds being delivered to Mr. Bittman and others?

Mr. LARUE. No.

Mr. LENZNER. Did you ever discuss with Mr. Rebozo the receipt by him of \$100,000 from Howard Hughes?

Mr. LARUE. No, sir.

Mr. LENZNER. Were you ever aware from the period 1969 to 1972, that Mr. Rebozo had funds available for various expense items for people employed at the White House?

Mr. LARUE. No.

Mr. LENZNER. Were you aware of a fund at the White House to pay for trips for White House employees to Key Biscayne?

Mr. LARUE. No, sir.

Mr. LENZNER. While you were at the White House, did you take trips to Key Biscayne on occasion, in addition to the March 1972 trip, that you testified to?

Mr. LARUE. I was in Key Biscayne in 1968, prior to the election. And I am certain that I was not back there until 1972 when I went with Mitchell.

Mr. LENZNER. Have you had any business transactions, loans of any kind with Rebozo, or his bank, or corporation?

Mr. LARUE. No.

Mr. LENZNER. Now, besides yourself and Mr. Mitchell, was there anyone else aware of the fact that you had received some money from Mr. Rebozo?

Mr. LARUE. I don't know of anyone else over there that would have known that.

Mr. LENZNER. And as I understand it, after you received the money, you put it in your filing cabinet, and funds were taken out, either more or less, or the same as the amount you received from Mr. Rebozo for the Nunn senatorial campaign; and funds were also taken out of that same depository for payments to Mr. Bittman and others. So, it could have been more or less that went to the Nunn campaign, more money or less money than you had received from Mr. Rebozo.

Mr. LARUE. I'm not sure I follow you.

Mr. LENZNER. Well, if you had gotten, say, \$30,000 from Mr. Rebozo, and you delivered \$25,000 to Mr. Nunn's campaign, then you would have transferred approximately \$5,000 less than Mr. Rebozo had given you; is that correct? I mean, that is a possibility, it could have happened?

Mr. LARUE. That's a possibility, yes.

Mr. DASH. I think you indicated that from the time you got this contribution from Mr. Rebozo until the time you testified before this committee, you said you did have meetings with Mr. Rebozo. Would you just characterize the nature of those meetings?

Mr. LARUE. These were, as I remember one such meeting, I think at Key Biscayne, with Mr. Rebozo. The Mitchells were again down there vacationing. I happened to be in Miami at that time and went over there to see the Mitchells. I am sure Mr. Rebozo was over there. In fact, they had been entertaining Governor Wallace.

Mr. DASH. Would you say these would be sort of casual meetings that you had with Mr. Rebozo during this period of time—

Mr. LARUE. Yes, sir.

Mr. DASH [continuing]. That you responded to Mr. Lenzner's question?

Mr. LARUE. Yes, sir.

Mr. DASH. This relationship with Mr. Rebozo was at the time you called him for the contribution, went down and picked up the money, and returned; did a kind of an ongoing relationship thereafter develop between you and Mr. Rebozo, social relationship?

Mr. LARUE. Well, that's not the first time I met Mr. Rebozo. I have known Mr. Rebozo, Mr. Dash, since 1966; that was certainly not the first time.

Mr. DASH. That was the first time you had actually a transaction with him?

Mr. LARUE. Yes, sir.

Mr. DASH. That was the only time you had a transaction with him?

Mr. LARUE. Yes, sir.

Mr. DASH. All of the other relationships were of the same nature you had before?

Mr. LARUE. Yes, sir.

Mr. DASH. Knowing him, and being places where he was also?

Mr. LARUE. Yes, sir.

Mr. ARMSTRONG. We covered this off the record previously. Was Mr. Rebozo present during any discussions of the Gemstone plan?

Mr. LARUE. Pardon?

Mr. ARMSTRONG. Was Mr. Rebozo present during any discussions of the so-called Gemstone plan?

Mr. LARUE. Are you talking about in Key Biscayne?

Mr. ARMSTRONG. Yes.

Mr. LARUE. No, he was not present.

Mr. ARMSTRONG. Was he present at any other time during any discussions of the Gemstone plan?

Mr. LARUE. No.

Mr. ARMSTRONG. OK.

Mr. LENZNER. Have you had contact with any other individuals, except Mr. Rebozo and Mr. Frates, after your interview of April 9?

Mr. LARUE. No.

Mr. LENZNER. That's all I have. Thank you very much.

Mr. VINSON. I note that the rules of this committee provide that a witness shall be given reasonable opportunity before a transcript is made public to inspect it in the office of the committee, and see whether it's correctly transcribed, et cetera; and if the witness so desires, the committee will furnish him a copy of his testimony at no expense to the witness. We would like to avail ourselves of both those rights.

Mr. DASH. I think under the rule, the right to have access and read it is correct, Fred; the right to have a copy without expense is after it has been made public, maybe it's ambiguous. What we have under our rule, in executive session, no matters in executive session have been made available to anybody but the committee, unless the committee votes by a majority vote to allow the counsel, or the witness to have it.

Mr. VINSON. Well, I would call your attention to the fact that paragraph 3 of your rules speaks in terms of executive sessions.

Mr. DASH. Yes.

Mr. VINSON. Before your transcript is made public—

Mr. DASH. Before it's made public.

Mr. VINSON [continuing]. That he would have a right to review it. We wish to avail ourselves of that right. The very next sentence in the

same paragraph says that if the witness so desires, the committee will furnish him a copy of his testimony at no expense to the witness. I read that as applying, again, to executive session testimony before it is made public.

Mr. DASH. What the committee interpreted is another rule, that no matter what is taken in executive session be made available to anybody, other than the review of the correctness of it, unless the committee votes by majority vote.

Mr. VINSON. We would like to ask that that be submitted.

Mr. DASH. I would certainly state for the record that usually the committee honors that request.

[Whereupon, at 11:55 a.m., the executive session was adjourned.]

WEDNESDAY, MAY 29, 1974

U.S. SENATE,
SELECT COMMITTEE ON
PRESIDENTIAL CAMPAIGN ACTIVITIES,
Washington, D.C.

The Select Committee met, pursuant to notice, at 2 p.m., in room S-334, Dirksen Senate Office Building.

Present: Senator Weicker.

Also present: Terry Lenzner, assistant chief counsel; R. Scott Armstrong and Mary DeOreo, majority investigators; Richard Schultz, assistant minority counsel; Emily Sheketoff, minority investigator.

Senator WEICKER. Raise your right hand.

Do you swear the testimony you are about to give the committee is the whole truth, and nothing but the truth, so help you God?

Mr. GEMMILL. I do.

Senator WEICKER. The witness is sworn, and have a nice afternoon.
[Recess.]

Mr. ARMSTRONG. Mr. Gemmill, for the record, can we have your home address?

**TESTIMONY OF KENNETH W. GEMMILL, ACCOMPANIED BY
MATTHEW J. BRODERICK, COUNSEL**

Mr. GEMMILL. Jamison, J-a-m-i-s-o-n, Pa.

Mr. ARMSTRONG. Now, sir, can you tell us who first contacted you concerning the possible representation of Mr. Rebozo?

Mr. BRODERICK. Let me interject. I think you understand, we made it clear to Mr. Lenzner and other people who interviewed Mr. Gemmill back in December, that Mr. Rebozo has waived the attorney-client privilege for that meeting with respect to the subjects that were discussed at this meeting, which was basically the facts surrounding the return of the \$100,000. I just wanted to make it clear on the record that we are testifying under what I would describe as a limited waiver of the privilege by Mr. Rebozo. If we get into areas where the privilege has not been waived by Mr. Rebozo, I will indicate it immediately to you.

Mr. GEMMILL. It was on two conditions which Mr. Lenzner agreed to. One was the limited waiver should not be in any way construed as a general waiver. And second, that the limited waiver should not be used in any way as a defense in any litigation.

Mr. LENZNER. Yes.

Mr. GEMMILL. That Mr. Rebozo might bring, which I understand, while I have been in China, has brought some.

Mr. ARMSTRONG. That is my understanding.

Mr. LENZNER. Yes, sir.

Mr. ARMSTRONG. OK, now.

Mr. GEMMILL. Would you rather me tell you the whole story or would you rather ask questions?

Mr. ARMSTRONG. If you could tell us the full story, starting at the point who first contacted you, I think that would be a good way to proceed.

Mr. GEMMILL. That is what I did before. I have got the same yellow pad. I will follow my yellow pad as I did the last time.

Mr. LENZNER. Let me confirm that my notes reflect exactly what you just said, that this is a limited waiver, it does not constitute in any way a complete waiver that was back at our December 3 meeting, and that the waiver, the partial waiver, would not be used as a defense to any suit that might ensue.

Now, if we answer, in our answer to that suit, when you say it is not a defense, let me clarify so we have an understanding. Information that you may have furnished us on December 3 might be used as part of our answer.

Mr. GEMMILL. I am saying the fact of the limited waiver is not to be used. That is the point.

Mr. LENZNER. All right, sir.

Mr. ARMSTRONG. Go ahead.

Mr. GEMMILL. Well, the first contact of which I have any recollection was, Mr. Rebozo called me on June 8 and said "Garment says that I should come see you about a problem." And so he did not describe the problem but we fixed it that he would come to Philadelphia on June 11. On June 11 he did come, just before lunch, and he and I were together and we had lunch and he told me basically that he had been visited by two revenue agents who upon questioning said they were intelligence agents and that they had told him they were not there investigating him, they were investigating the Hughes Tool Co. and Maheu, and I think Meier, if my memory is correct, and the agent was Mr. Kenney.

I asked him to tell me what the agents had asked about and he said that they were looking for \$1 million and he told them he could tell them where \$100,000 was, that he had received two deliveries, \$50,000 each in bills from Mr. Danner, he put them in a safe-deposit box in joint names at the Key Biscayne Bank with Mr. Wakefield, his lawyer, that it had never been used and was still there. The agents asked who owned it, and he said that he did not know, but he did not. I asked him what was the purpose of this thing and he said it was delivered to be used as a political contribution and he had only one candidate so he kept it for 1972.*

He said he had turned down a contribution in 1968 from the Hughes people. I asked him if the agents had asked to see the bills and he said they had not.

[Discussion off the record.]

Mr. GEMMILL. I asked him how did it come about and he said Danner had volunteered the contribution, and I asked him whether he had ever had any instructions from Danner as to its use and he said he had not. I asked him whether he had had any other political contribu-

*As stated in letter of June 21, 1974, from Matthew J. Broderick to Terry Lenzner, the following pertains to this portion of Mr. Gemmill's testimony: "This answer represents a condensation of conversations Mr. Gemmill had with Mr. Rebozo. At Mr. Gemmill's original meeting with Mr. Rebozo, it was Mr. Gemmill's understanding that Mr. Rebozo received the money and was awaiting further instructions from Mr. Danner."

tions in 1972 and what he did with them, and he said that he had opened a special account and all other contributions had gone into this account, which was in the name of the Committee To Re-Elect, and he had sent the cards, the signature cards to the committee in Washington and that he could not sign checks on the account.

Mr. LENZNER. That was for the 1972 contributions?

Mr. GEMMILL. That was my understanding. That is what my notes show. I told Mr. Rebozo there was another witness to this transaction—namely, Mr. Danner—and I would like to interview him before I gave him any advice. Now, I told him that I would ask our investigators in our office to determine if there were any tests to show how long money had been kept in one place and if I found that there were any tests I wanted to have those tests run.

Now, I told him on his story, subject to talking to Danner, I would probably advise him to return the bills to Mr. Danner, and if I did give him that advice I wanted his agreement before I went ahead that he would return the money to Mr. Danner, No. 1. No. 2, when it was returned, I would make a voluntary disclosure of the return to the Internal Revenue Service.

Next, I told him the Internal Revenue Service would undoubtedly investigate the matter and I would follow the policy of complete cooperation with the Internal Revenue Service, although at that moment I did not know anything about his other transaction or other affairs, but if we are going to get into this thing there is going to be complete cooperation and complete disclosure.

Next, that the investigation would be handled as a routine matter with the Revenue agents, whoever was assigned to it, and nobody was to go over their heads and talk to anybody else in the Internal Revenue Service, be straight-out with the agents and nobody else.

Mr. Rebozo made some telephone calls and I do not know to who, but in any case, he said Mr. Danner was in Ohio playing golf and Danner would call me the next day.

The next day Danner did call and said he could not come to Philadelphia, he had to return to Las Vegas. That was June 12.

The other thing that happened on June 12 was, I called Garment and said Rebozo had been to see me. Garment said, "Well, I am glad he is in good hands. You handle him as a private client and do not tell me anything about it." I said, "I am to handle him as a private client," and he said, "Yes, do not tell me anything about it," and that was the end of that.

Now, when we were together before, I explained what I had in mind by the return, because it was all pure income tax as far as I was concerned, if Mr. Rebozo held this money as a custodian he had no income from the Federal tax standpoint, and if he had made no use of it and clearly had no income, so that if he returned it there was no tax problems either on receiving it or returning it.

But in addition, I have seen enough investigations proceed so that as facts develop maybe they are not as they start. So I had in mind section 1341 of the Internal Revenue Code, which gives you a deduction in the year in which a payment is made back to somebody, a payment which you had received, which the taxpayer had received under a claim of right. So that even if some of this money had been

income—I had no reason to think it was or was not—I wanted to have a backup position which did result in taxable income in some year—he would get a deduction for it in 1973, the year it was paid back, and the section also provides for a 3-year carryback, so you get the benefit of not only using up all of his income in 1973, he would have it in 1972, 1971 and 1970.

And from a fraud standpoint, if there is no tax involved, and I did not know whether this would result in no tax or a little tax, but it would certainly minimize it, I would be in a position to claim that he was entitled to a deduction of the amount paid back in 1973 for whatever amount it might have been income in an earlier year. Of course, this applies, in my opinion, whether it is the same bills that are returned or whether you write out a check on your bank account and pay back the amount that was received under a claim of right.

The other thing I had in mind, I had never seen the man before and I figured that by imposing the conditions I did of complete disclosure, a test to see how long the money had been in the safety deposit box, and so forth, that if somebody was going to go through that, he must be telling me the truth.

Now, during the next days there were telephone calls back and forth. I think it was mostly Mr. Rebozo calling me, asking whether I had heard from Danner and I said that I had not, and I began to be concerned because I wanted to get whatever benefit I could from a voluntary disclosure to the Internal Revenue Service before the Internal Revenue Service started their investigation. Mr. Rebozo's story was that the agents had come and said they were not investigating him. I suspected that each day that went by, if an examination had not already been started, it certainly would be.

So being concerned about this, I told Mr. Rebozo to go to the safety deposit box with Mr. Wakefield, it was in joint names, and make a list of the serial number on each bill and prepare a receipt for Mr. Danner to sign so that we could always prove the numbers of the bills that were returned, when that was given to the Internal Revenue Service, they in turn would have the exact numbers.

Mr. Rebozo asked if I thought it was advisable to have someone from the Government there, such as the head of the FBI in Miami, I told him I would think that over and call him back and we talked it over in the office and said that maybe if he has an FBI guy there and he looks at the money he would be able to say whether the money has been there the same time. So I told him I did not see any harm in having whoever this fellow was present.

The next thing that happened was, he called and said the list was completed and I told him to get hold of Danner and meet in Philadelphia and see if we could arrange to return the money after I had talked to Danner. Rebozo came to the office on June 19, 1973. I thought Danner was coming but Danner did not come, so I told him to give Danner a call on the telephone, which he did, and after some conversation Mr. Rebozo said, "Danner wants to talk to you," so I got on the telephone. I assume it was Danner on the other end who said that when he was interviewed by the Revenue agents there were two lawyers present, Chester Davis and Mickey West, and both had asked him not to talk to anybody, so he would have Chester Davis give me a call.

After a short time my secretary told me there was a Chester Davis calling. I talked to him and he said that he had been asked by Danner to call me and I told him that Mr. Rebozo was with me and told me he had \$100,000 in bills with him. Based upon the story Mr. Rebozo had told me I thought that the money should be returned, but I wanted to get Mr. Danner's story.

Davis, we initially agreed, was going to come to Philadelphia, I think, but we then agreed to meet in Washington on June 21. I told Mr. Rebozo when he was there that my investigators had told me they had not been able to discover any test for determining how long money had been in one place, but that the Federal Reserve could tell when \$100 bills were issued because they kept a record of each one.

Rebozo had a briefcase on the floor with a brown envelope in it and he showed me the brown envelope but he did not open it and I did not see the money.

He said he was going to New York and he would leave the—I do not know whether he said money or envelope or whatever it was—with Mr. Griffin, and he gave me Mr. Griffin's telephone number. I had never heard of Mr. Griffin. When I was ready to return it I should call Mr. Griffin at this number he gave me and have him produce the money.

Chester Davis and I did meet at the Madison Hotel. I had never met him before, so I had to ask for him and go up to his room. After some conversation I asked him if he had Danner's statement to the Revenue agents and he said he did, and he let me read it. I told him in general, not in any great detail, just what I have said previously, what Mr. Rebozo had told me. It seemed to me while there might be several discrepancies between the two versions, particularly the one where the first \$50,000 was delivered and where the second \$50,000 was delivered, also as to who asked whom, whether Mr. Danner had requested a contribution or whether Mr. Rebozo had, but neither of these affected my tax thinking, so I told Mr. Davis I was prepared to tell Mr. Rebozo to return the money.

My recollection is Mr. Davis told me it had come out of the Silver Slipper, which was owned individually by Mr. Hughes, so there was no corporate problem.

So I said, "Well, then, how shall the money be returned?" He went to the telephone, which was down at the other end of the livingroom at the Madison, and called somebody or other and at the end of the conversation he told me he would call me the following Monday and tell me how to have the money returned. On Monday, Mr. Davis did call and he said he had an account at the Marine Midland in New York for Mr. Hughes, and the money could be deposited in the account. I said no, the money was not to be deposited as far as I was concerned in any account, I wanted the bills put in a safety deposit box and kept there intact until the Internal Revenue Service wanted to see them, and I wanted his agreement to do this. He said that was all right with him.

It was then agreed, I am not sure whether it was in that conversation or a subsequent telephone conversation, that somebody asked me whether Mr. Glaeser from Mr. Davis' office could not be present—could not be the one to receive the money, and I said, "Well, anybody who has authority to sign a receipt is all right with me." So it was agreed we would meet at the Marine Midland, 140 Broadway, on Wednesday, June 27, at 1:30.

I got there a little before that. Mr. Glaeser was there. He had the cards for the safety deposit box signed by Mr. Davis, with Mr. Glaeser as the deputy, and the man in charge said that Mr. Davis has to appear personally. So there was a lot of back and forth about getting the box at all. So Mr. Glaeser and I sat in the room and after this box business had been solved, we sat in the room and waited, and according to my notes about 1:50 a man appeared and said he was Mr. Griffin, and after some pleasantries—I think it was about going to Villanova Law School—I showed him the letter to Mr. Davis which had been signed by Mr. Rebozo, and Mr. Griffin said that Mr. Rebozo had told him I would have a letter and he read the letter and said it looked satisfactory, so he left a package with brown paper wrapping on it, said he was not needed, and left.

Do you want to go through what the envelopes looked like?

MR. LENZNER. I do not think that is necessary.

MR. GEMMILL. We saw them the last time and we sent you a copy of the inside with the initials on it.

MR. LENZNER. I do not think it is necessary to go into that, unless you would like to hear it.

MR. SCHULTZ. Let us take a look at it for a minute.

MR. LENZNER. Off the record.

[Discussion off the record.]

MR. GEMMILL. This brown envelope which had nothing on either side was the outside envelope which either Mr. Glaeser or I think it was split down here, out of that envelope we took this brown envelope, which had on the back, where the flap is sealed with initials across, all of the places where the envelope folded, and well, not only initials but there is C. G. Rebozo, C. G. Rebozo. I assume one of these is Wakefield and the other is Mrs. Barker. I think those initials are Mrs. Barker. That was an inside envelope. Inside that envelope were two more envelopes, one marked "A inventory" and the other marked "B inventory," and as far as I could tell, the only significance of the A inventory and B inventory was on the list of bills; there was an "A list" and "B list" and bills on the A list were in the A envelope and bills listed on the B were in the B envelope.

Now, we took A bills out of—I do not know which one took—which one took which bills out of which envelope, but we took the bills out of each envelope, and took the receipt off which we have sent up a copy, and I read all of the numbers off each bill and I had a list of the bills and I checked my list and Mr. Glaeser had a list and he checked his. We found a few where the numbers did not correspond. A might have been left off the number or it might have started with a D instead of a C, and so we corrected those on each receipt, each list. Then, when we got through Mr. Glaeser signed the receipt, gave it to me. A went back in another envelope on which he put "A" and I think he put on "B" and he put them in the box which was box 423 at the Marine Midland at 140 Broadway.

The next day was Thursday and I was out of town, so I did not get a chance to get started to get hold of the Internal Revenue Service, but I started on Friday to find somebody to talk to in the Internal Revenue Service. Mr. Rebozo said that I should call a Mr. Barth. I never heard of Mr. Barth, so I looked him up in the telephone index

of the Internal Revenue Service and saw he was in the Chief Counsel's office and I said to myself from my knowledge of the Internal Revenue this must be the wrong guy, but he said to call him, so I called him. He was out. I said I will call back after lunch and I got him and I said, "I would like to talk to him about Mr. Rebozo." He said, "That matter is in Intelligence, I should call John," I cannot pronounce the fellow's name, O-l-s-j-e-w-s-k-i. He was out. His secretary wanted to know what I wanted. I said that I would like to come and see him on Monday about Mr. Rebozo. She did not know whether he would be in on Monday, she would have somebody get in touch with me. After a while a man called and said he was Mr. Richard A. Nossen, Assistant Director, and that Mr. Rebozo's matters were being handled in the Jacksonville district, and that I should call Mr. Andrew J. O'Donnell, Jr. He gave me the number.

So I called Mr. O'Donnell and his secretary said he was away all week. It was sometime Friday afternoon and I thought I will start again on Monday with Mr. O'Donnell, which I did. Mr. O'Donnell was still out so his secretary said, "Can anybody else help you?" and I said, "Yes, who is head of Intelligence?" and she said, "Mr. Register," and I think she transferred me to Mr. Register, I do not think I made a separate call to him. Anyhow, she transferred me and Mr. Register was out until after July 4, but the girl said that Mr. Metheny, M-e-t-h-e-n-y would call me back. So sometime later in the morning Mr. Metheny did call me back. I told him I wanted to talk about Mr. Rebozo. He said, "We have had so many telephone calls about Mr. Rebozo, I am not going to talk to you unless you can tell me that you have a power of attorney." And I said "Mr. Metheny, if I was in your place I would not talk to me either, so I will get a power of attorney," and he said, "When you do, you call me."

So well, a couple of days later I did have a power of attorney and I did call him and I said I had the power of attorney and he said that Mr. Bartlett and Mr. Webb were assigned to this matter and I should meet them on July 10 in the Federal Building in Miami. Subsequently, he called back and said that they would like to change the place of meeting to the King's Inn, Miami Springs Villa, 500 Deer Run. So on July 10, I flew to Miami, went to the King's Inn in Miami Springs Villa and met two men who were identified as Mr. Bartlett and Mr. Webb. Mr. Bartlett said: "I think you have got something you want to tell us," and I said: "I do." So I recited to him the story as I have this afternoon about Mr. Rebozo coming and my seeing Davis about the return of the money—how it was returned. I told him that I had attempted to find out when the bills were issued, so I could tell him exactly when they were issued, but I had been unable to find that out and asked him if he would find that out from the Federal Reserve or should I, and he said he would do it, and I said well, if he did it I would not do it because I would like to have a copy of whatever answer he got because I was certainly interested in when these bills had been put into circulation.

I told him that the money was in the box, gave him the box number at Marine Midland in New York, and told him whenever they wanted to go see the money it was there, and I had an arrangement with Mr. Davis that it was to stay there until they could get to New York and

see it. I gave them—showed him the envelopes, gave him a copy of the receipt with the bill numbers on, and he asked if the agents were going to get cooperation from the taxpayer, and I told him as far as I was concerned that they were going to get complete cooperation. All of the facts would be disclosed, and I am sure I told him in this conversation. I know I told him in a later conversation, I wanted the file of Mr. Rebozo to look not like it would in the case of any ordinary taxpayer, I wanted it so complete and so detailed that if it was ever looked at, there could be no exception taken to it in any way, shape, or form, and I was going to help him achieve that result.

That takes us through the return of the money and the disclosure and finding the person to talk to in the Internal Revenue Service and the disclosure.

Sometime in October, Mr. Bartlett called and said that they were now ready to go to New York to see the money and would I alert Mr. Davis.

On October 10, Mr. Bartlett, Mr. Webb, Mr. Davis, Mr. Glaeser, and I went to Marine Midland. Mr. Glaeser got out the box and put the bills in front of the agents who checked each bill against the receipt and put them all through a machine which, as I understood it, was photographing each bill.

After they had gotten through photographing, Mr. Davis did not stay the whole time, he left early. Mr. Glaeser stayed until he had recounted the bills and put them back—all back in the box, and he left and so I said: "Well, now I am going to Australia, what answers have you got for me?" and I said: "Really, what do you know now that I did not tell you at the beginning?" And my notes show Mr. Webb said: "We know none of the money was converted." I said to Mr. Bartlett: "Well, what are the answers, where are we?" and he said: "Well, I have to go meet with my superior, and I have a meeting with him and we will try to tell you something before you go to Australia."

I think it was on the 19th, although I cannot be exactly positive, it was the date Mr. Bartlett called me and told me that my client had nothing to worry about, but they might have some miscellaneous tax adjustments, and I said: "Well, I was not a bit interested in those, they could be worked out with Mr. Rebozo's accountant, Mr. Warren Davis."

Later, I do not know whether it was that day or the next day, Mr. Rebozo called and told me that Mr. Bartlett had been to see him and told him the same thing, he had nothing to worry about.

Now, that is what my notes show we went over last time. If your notes show anything differently, let me know and we will see whether we can bring them together.

Mr. ARMSTRONG. Just for the record, Mr. Gemmill, I was not at the December 3 meeting, 1973, as you recall, but with the notes that were taken your account today seems to jibe, with the exception that you have given us more detail, I believe, regarding the contacts with the Internal Revenue Service and with Mr. Garment.

Mr. GEMMILL. That is right, that is exactly right.

Mr. LENZNER. I think to be specific, the notes do not reflect that when Mr. Rebozo called you on or about June 8, 1973, to request a

meeting with you, you did not, in our notes, note or state that Rebozo said Garment said: "I should see you about the problem."

Mr. GEMMILL. That is exactly right. You asked me whether I had any contact with anybody in the White House during this period we are talking about and I said I had no recollection of it, which was true. When I got back to Philadelphia about 3 days later, I checked my telephone notes and saw there was a telephone call with Mr. Garment on the 12th. As soon as I saw that it refreshed my recollection on two points, (a) what Mr. Rebozo had said when he called and, (b) that I had called Garment and had the conversation that I told you about.

Mr. LENZNER. Which was on the 12th?

Mr. GEMMILL. Yes, sir. And the Revenue agent, all my notes show is that I have down here various calls to various Revenue agents, they were given to you in complete detail.

Mr. ARMSTRONG. Do you recall any other contact with Revenue agents other than the ones you mentioned today or any other contact the officials in the Internal Revenue Service—

Mr. GEMMILL. None. Wait a minute.

Mr. ARMSTRONG. In connection with Mr. Rebozo?

Mr. GEMMILL. No, no. Let us be sure what we are talking about. During the time that we are talking about, I have given the names of everybody that I talked to. All of the fellows, a lot of them I did not talk to, I just called. But there was Metheny. Then I went to see Bartlett and Webb.

Mr. ARMSTRONG. Are you saying there were contacts outside of this period that were related to the \$100,000?

Mr. BRODERICK. There are contacts that are related to the IRS audit of Mr. Rebozo.

Mr. GEMMILL. No; there is only one other, even though there is only one other person in the Internal Revenue Service I have ever talked to, and that was Mr. Register, who is the Chief of the Intelligence, who in October thanked me for pushing so hard to get them all the facts and said without me and my push they never would have gotten the audit completed.

Mr. ARMSTRONG. Do you recall when that was in October?

Mr. GEMMILL. No.

Mr. LENZNER. Would that have been before or after the discussion you related with Bartlett?

Mr. GEMMILL. It would have been before the meeting in New York. Whether it was 3 days before or 2 days before, I do not know.

Mr. LENZNER. Mr. Register called you to express that?

Mr. GEMMILL. Well, I had asked for a certain document and he called me to say that the Revenue agents would read it to me, but I could not see it myself, and in that conversation he said what I just said.

Mr. LENZNER. You had asked that of somebody else and Mr. Register called?

Mr. GEMMILL. I asked Mr. Bartlett and he took it up with his boss.

Mr. LENZNER. And is that the substance—is that exclusive now of any other contact you had with anybody in IRS or Treasury relating to the Rebozo audit?

Mr. GEMMILL. Well, there was one meeting in January or February, whether it related to the Rebozo audit or not, I never knew, but it was Mr. Register, Mr. Bartlett, Mr. Keeney, and there were four of them, Webb. But I think, as I remember it, I never could figure out exactly what that was all about, but I think that related to Key Biscayne banks and not Mr. Rebozo.

Mr. LENZNER. It was a meeting with you, sir, you say it was a meeting with you?

Mr. GEMMILL. And Mr. Bruce Harper, who is in Mr. Frates' office. He was there representing the bank and it turned out they were talking about the bank so I was really not listening.

Mr. ARMSTRONG. You do not show any other meetings or telephone conversations with Mr. Bartlett or Mr. Webb?

Mr. GEMMILL. Oh, yes, certainly, there were a lot, but they are after the date that I am allowed to say anything.

Mr. ARMSTRONG. Well, what is that date, how is that date determined?

Mr. GEMMILL. Well, the limited waiver of privilege covers June 8 to June 27, from the time Mr. Rebozo first called me until the money was returned. With the exception of the meeting in New York on the 10th of October about those things I can talk, the rest I cannot. I would be delighted to tell you about it, but the lawyer-client privilege, Mr. Rebozo sets the ground rules and this is the ground rule he set and this is the ground rule we agreed to and it is the ground rule under which we operate.

Mr. LENZNER. So I understand it, you have been instructed by your client that you cannot reveal any communications he has made to you in connection with the attorney-client counseling after June 26?

Mr. GEMMILL. Except for the meeting in New York.

Mr. ARMSTRONG. Since Ms. DeOreo's call to Mr. Broderick, have you had an opportunity to consult Mr. Rebozo again?

Mr. GEMMILL. Yes, yesterday in detail, and these are my instructions.

Mr. ARMSTRONG. And in the course of this conversation it was clear to Mr. Rebozo that we were seeking to speak with you about matters that went beyond that?

Mr. GEMMILL. We read him a list. Mr. Broderick took it down.

Mr. ARMSTRONG. Do you have any objection to reading that list into the record?

Mr. BRODERICK. I talked to Ms. DeOreo yesterday morning. She gave me a list of four subject matters: No. 1 was the Hughes contribution—return of the money and any possible use of the money. No. 2, all third party contacts by Mr. Gemmill or Mr. Rebozo concerning the return of the money, including contacts with counsel to the President. I should add I asked Ms. DeOreo who she meant by "counsel to the President." She said she preferred not to limit herself to any one or two names. No. 3, contacts by Mr. Gemmill with the Internal Revenue Service during the period June 1973 through April of 1974; and No. 4, Mr. Rebozo's business relationships with a chap named Mr. Abplanalp, Mr. Wakefield, the President of the United States, Mr. Griffin, B & C Investment Corp., Precision Valve Corp., Hughes Tool Co., now known as Summa Corp. Mr. Gemmill said they were the matters which we revealed to Mr. Rebozo.

Mr. ARMSTRONG. Prior to your phone call from Mr. Rebozo on June 8, 1973, did you have any indication that Mr. Rebozo would be calling you?

Mr. GEMMILL. I have no recollection of that at all. I have been racking my brain and I have no recollection whatsoever that anybody said anything to me about it at all.

Mr. ARMSTRONG. Had you had any contact with Mr. Garment prior to that date?

Mr. GEMMILL. I think I had met him once in the hall, but I really didn't know him.

Mr. ARMSTRONG. In the hall at the Executive Office Building?

Mr. GEMMILL. Yes, sir.

Mr. ARMSTRONG. And had you had any contact with Mr. Chapman Rose and that subject, the fact that you may be getting a call from Rebozo?

Mr. GEMMILL. I have no recollection of that.

Mr. ARMSTRONG. Had you had any contact with Mr. Haig?

Mr. GEMMILL. No.

Mr. ARMSTRONG. On this subject?

Mr. GEMMILL. No; no recollection. I don't have any recollection of anybody saying anything to me until Rebozo called. It isn't for lack of trying. I have been racking my brain right and left and sideways because we talked about that before and really I am just a blank on that. I have no recollection of it at all.

Mr. ARMSTRONG. Prior to June 8, 1973, had you represented the President prior to that date?

Mr. GEMMILL. Yes.

Mr. ARMSTRONG. But in that capacity you had no discussion involving Mr. Rebozo?

Mr. GEMMILL. No. I have no recollection of it at all, as I told you. If I did, I would tell you. It is a complete blank.

Mr. LENZNER. You are saying that when he called, it was out of the blue and you did not expect it or anticipate it?

Mr. GEMMILL. Exactly.

Mr. ARMSTRONG. When Mr. Rebozo called you on June 8, 1973, did he indicate any more detail about his conversation with Mr. Garment other than to say Mr. Garment had said—

Mr. GEMMILL. Just what I told you.

Mr. ARMSTRONG [continuing]. He should come to see you about a problem?

Mr. GEMMILL. That is right.

Mr. ARMSTRONG. But he didn't indicate whether or not he had had a direct conversation with Mr. Garment or with any other individuals?

Mr. GEMMILL. No; that was really a very short conversation.

Mr. ARMSTRONG. Did he make any reference to the President on that occasion?

Mr. GEMMILL. Just what I told you.

Mr. ARMSTRONG. Prior to your meeting with Mr. Rebozo on June 11, 1973, did you have any indication or any information about what Mr. Rebozo's problem might be?

Mr. GEMMILL. No; I didn't talk to anybody. That was over a weekend, as I remember it. Wasn't the day Friday?

Mr. ARMSTRONG. When you spoke with Mr. Rebozo on June 11, did Mr. Rebozo indicate he had counsel prior to you, that he consulted with any other individuals?

Mr. GEMMILL. I have no recollection and am sure he didn't. If he had, I would have sent him packing. I wouldn't have talked to him if he had had another lawyer unless either he formally let the other lawyer go or he had the consent of the other lawyer to talk to me. This is standard practice in our office, so I would have said, "Go."

Mr. ARMSTRONG. Given that standard practice, is it your recollection then that you would have asked him if he had consulted counsel previously?

Mr. GEMMILL. No; I wouldn't have asked him. If I got the slightest indication that he had, that is what we would have done.

Mr. ARMSTRONG. Do you recall when he first did indicate that he had had counsel prior to June 11, 1973?

Mr. GEMMILL. That is beyond—

Mr. BRODERICK. Counsel with respect to the \$100,000?

Mr. ARMSTRONG. Yes.

Mr. GEMMILL. Not Mr. Frates?

Mr. ARMSTRONG. No.

Mr. LENZNER. This would have been prior to the return of the funds.

Mr. ARMSTRONG. Counsel prior to the time the funds were returned.

Mr. BRODERICK. Had he consulted counsel other than Mr. Gemmill prior to the return of the funds?

Mr. ARMSTRONG. Yes.

Mr. BRODERICK. I think whether Mr. Gemmill has any knowledge of that, that is not included in the waiver.

Mr. ARMSTRONG. Would it not relate to whether or not Mr. Rebozo had previously received counsel to return the funds?

Mr. GEMMILL. No.

Mr. BRODERICK. No; I think not. As I understand the waiver, Mr. Armstrong, from Mr. Rebozo, it is limited to Mr. Gemmill's participation or knowledge concerning the return of the \$100,000.

Mr. GEMMILL. During this particular time.

Mr. BRODERICK. During this particular period. And as a lawyer I don't want to take liberties with interpreting one way or the other broadly, any waiver a client gives us. The client sets the ground rules, tells us how to proceed, and under the code of professional responsibility we obviously have to proceed that way.

Mr. ARMSTRONG. Has anybody other than Mr. Rebozo indicated to you that Mr. Rebozo had counsel prior to June 11, 1973?

Mr. BRODERICK. Could you be specific as to who you have in mind? You say "anybody." Pick some categories of people. I don't care whether you use names. It will be easier for me to address myself to the problem if there is one.

Mr. LENZNER. It is kind of hard to delineate when we don't know what the answer is going to be. Mr. Gemmill could have received information from a variety of people, I suppose, all of whom might have themselves received information that might be relevant to the inquiry. So I guess the question is: Aside from Mr. Rebozo, who was Mr. Gemmill's client, did anybody else indicate or furnish any infor-

mation that related to other counsel that Rebozo may have received concerning the \$100,000?

Mr. SCHULTZ. What is the time frame on this?

Mr. ARMSTRONG. Any counsel Mr. Rebozo had prior to June 11.

Mr. BRODERICK. Are you limiting it to the time frame of June 8 through June 26?

Mr. LENZNER. That would be the first question.

Mr. BRODERICK. All right, it is limited to the time frame June 8 to June 26.

Mr. LENZNER. For the first question it will be.

Mr. GEMMILL. Take them one at a time.

Mr. BRODERICK. Now that we have it limited, what is the question?

Mr. ARMSTRONG. Between June 8, 1973, and June 26.

Mr. BRODERICK. June 27?

Mr. ARMSTRONG. June 27, 1973. Did any individual other than Mr. Rebozo indicate to you that Mr. Rebozo had had counsel prior to June 11, 1973?

Mr. GEMMILL. No.

Mr. ARMSTRONG. Now, at any time subsequent to June 27, 1973, has any individual indicated to you that Mr. Rebozo had counsel prior to June 11, 1973, other than Mr. Rebozo?

Mr. BRODERICK. Other than Mr. Rebozo, or any lawyer Mr. Rebozo may have had? Is that what you said?

Mr. LENZNER. Yes.

Mr. BRODERICK. Mr. Rebozo or any lawyer representing Mr. Rebozo?

Mr. LENZNER. Yes.

Mr. GEMMILL. I am lost. What is the question?

Mr. BRODERICK. Subsequent to June 27, 1973, did any person with the exception of Mr. Rebozo or a lawyer representing him, indicate to you that Mr. Rebozo had had counsel at some point concerning the \$100,000?

Mr. GEMMILL. Other than Rebozo or any lawyer representing him?

Mr. BRODERICK. Right.

Mr. GEMMILL. No.

Mr. ARMSTRONG. Maybe we should make it a lawyer representing—I assume a lawyer actively representing at that time. Earlier we were talking about Mr. Frates or other members of his firm.

Mr. BRODERICK. To my knowledge, that is who was counsel at this point.

Mr. GEMMILL. At some point Mr. Wakefield was his counsel. So many lawyers. But the question is other than lawyers representing him, or Mr. Rebozo, the answer is, "No."

Mr. LENZNER. Let's be specific on the record. That would be other than Mr. Frates or Mr. Wakefield or anybody in Mr. Frates' law firm. The answer would be "No"?

Mr. GEMMILL. That is right; no.

Mr. ARMSTRONG. Now, when Mr. Rebozo first spoke to you on June 11, 1973, he indicated he did not consider himself a subject of any investigation by the Internal Revenue Service but that his name had come up in a corollary fashion of the investigation of the Hughes Tool Co.?

Mr. GEMMILL. He said just what I told you; two agents had been to see him who told him they were not there investigating him.

Mr. ARMSTRONG. Did he indicate on that occasion that simply the contribution he received was a political contribution, unspecified; that Mr. Danner had not specified its use, and that he understood it?

Mr. GEMMILL. My notes say it was delivered—delivered to be used as a political contribution and he, Rebozo, had only one candidate, so he kept it for 1972.

Mr. ARMSTRONG. Do you recall if he had any discussion at that time that indicated to you whether or not it was Mr. Danner's intention that this should be a contribution for the 1972 Presidential election?

Mr. GEMMILL. Any discussion of that?

Mr. ARMSTRONG. Yes.

Mr. GEMMILL. With Mr. Danner?

Mr. ARMSTRONG. Yes.

Mr. GEMMILL. No.

Mr. ARMSTRONG. So you didn't discuss what Mr. Danner's intention was or what Mr. Rebozo understood?

Mr. GEMMILL. Except he hasn't gotten any instructions. I said that he had never received any detailed instructions from Mr. Danner as to its use. That is the reason I wanted to see Danner.

Mr. LENZNER. Let me ask this question. I take it, Mr. Gemmill, that because of the standard practice of the firm, that Mr. Rebozo did not indicate to you when he talked to you on the 8th or 11th, or thereafter, until the 27th, at least, that he had received any counsel or advice from any other attorney?

Mr. BRODERICK. I think I know what you mean but the question is phrased improperly because it says Mr. Rebozo, because of the standard practice of the firm. Obviously, Mr. Rebozo wouldn't know what the standard practice of the firm is.

Mr. LENZNER. I understand. I am not sure it is clear on the record. You would assume from the record as it stands now, because of your standard practice, you did not throw Mr. Rebozo out of the office a fortiori because he did indicate he had prior counsel?

Mr. BRODERICK. That is right.

Mr. LENZNER. So we don't have to make an assumption based on the record that Mr. Rebozo did not indicate to you at any time prior to the 27th of June that he had received any prior counseling or advice with regard to the \$100,000?

Mr. GEMMILL. You can't state it that way. He might have told me something later. We haven't said whether he did.

Mr. LENZNER. I am saying since you can't testify past the 27th.

Mr. GEMMILL. During the period from the 8th to 27th, I had no indication that I can recall in any way, shape, or form, that he had consulted counsel in connection with that matter.

Mr. LENZNER. All right.

Mr. GEMMILL. The reason I say it is because if he had I would have either found out he had released them or gotten their consent before I would have talked to him.

Mr. LENZNER. That is what I wanted to get.

Mr. ARMSTRONG. Did Mr. Rebozo indicate in what capacity he received the money from Mr. Danner? In other words, in what sense he was an agent for the campaign?

Mr. GEMMILL. No.

Mr. ARMSTRONG. Under whose authority he was operating?

Mr. GEMMILL. What he repeated is what I testified to; he repeated what he told the agents, that the money didn't belong to him, that he was sitting on it as custodian.

Mr. ARMSTRONG. I am not challenging the completeness of your account from your notes. I am hoping that perhaps there might have been a question or response or discussion that for some reason wasn't reflected in your notes.

Mr. GEMMILL. No, if there was, I would be glad—if you could refresh my recollection, I would be glad to answer.

Mr. ARMSTRONG. Well, did you inquire then or at a subsequent time whether or not Mr. Rebozo had any authority from anyone in the campaign or from the President or anyone else to accept contributions?

Mr. GEMMILL. During the period of the days we are talking about?

Mr. ARMSTRONG. Yes.

Mr. GEMMILL. No.

Mr. ARMSTRONG. Did Mr. Rebozo indicate whether or not he had ever removed that money from the safety deposit box? We are talking about the conversation on June 11, 1973.

Mr. GEMMILL. No, he said the money had been put in the box and was still there.

Mr. ARMSTRONG. Did he indicate at that or any subsequent time the locks had been changed on the box?

Mr. GEMMILL. I think he did say that he had lost the keys to the boxes and that he had to get new keys and then the locks were changed.

Mr. ARMSTRONG. Did he indicate whether or not he had given Mr. Wakefield the replacement key?

Mr. GEMMILL. No.

Mr. ARMSTRONG. He did not indicate one way or the other—he did not indicate whether he had or had not?

Mr. GEMMILL. No discussion.

Mr. LENZNER. Did he give you a time frame as to when the locks were changed?

Mr. GEMMILL. No.

Mr. ARMSTRONG. Did Mr. Rebozo indicate at that or any subsequent time why he had not used the money for campaign purposes or any other purpose?

Mr. GEMMILL. Well, we are now talking about the meeting on June 11 and he might have said that he didn't like something or other that was happening in the Hughes organization.

Mr. ARMSTRONG. He indicated, did he not, that the money was not needed by the campaign—is that correct?

Mr. GEMMILL. I don't remember that.

Mr. ARMSTRONG. Our notes from the previous, from the December 3—

Mr. GEMMILL. You have got it. Read what it says.

Mr. ARMSTRONG. Our notes state that you told us at that time that Rebozo held this money for the 1972 campaign because the money was not needed, and coupled with the fact that the Hughes organization had undergone a drastic management reorganization, Rebozo decided to hold the money until a later date.

Mr. GEMMILL. That isn't in my notes. That isn't to say he didn't say it.

Mr. ARMSTRONG. Was it your recollection at that time he did, or sometime he did make that statement to you?

Mr. GEMMILL. Which statement?

Mr. ARMSTRONG. That the money was not needed by the campaign?

Mr. GEMMILL. The 1972 campaign?

Mr. ARMSTRONG. Yes.

Mr. GEMMILL. He might have. I don't have any clear recollection. I don't have any clear recollection that he didn't say it.

Mr. ARMSTRONG. I guess the direction of my question is, Did he indicate how he knew the money was not needed? Do you have any recollection?

Mr. GEMMILL. No, I am sure we had no discussion of that.

Mr. ARMSTRONG. Did he indicate in the meeting of June 11, 1973, whether or not anyone else was aware of the campaign contribution—other than yourself and the IRS agents with whom you discussed it, and Mr. Danner, of course?

Mr. GEMMILL. No.

Mr. ARMSTRONG. Did you inquire of him at that time whether or not—

Mr. GEMMILL. He told me that—I asked him what Mr. Wakefield knew and he said he had told Mr. Wakefield that there were some items in this box that were to be disposed of in case he died and that he originally put some instructions on the envelopes that were in the box and I asked where the envelopes were and he said he destroyed them.

Mr. ARMSTRONG. He didn't indicate Mr. Wakefield knew about the contribution?

Mr. GEMMILL. That is right.

Mr. ARMSTRONG. In the context of that conversation, did you ask him if anybody knew about the existence of the contribution?

Mr. GEMMILL. No, sir.

Mr. ARMSTRONG. Did you ask him that question prior to June 27, 1973?

Mr. GEMMILL. No.

Mr. ARMSTRONG. Would not the fact as to whether or not Mr. Rebozo had disclosed to any third party, that is, receipt of the contribution, been an issue of whether or not that was actually a campaign contribution or whether it had been used for some other purpose? I am speaking from a layman's point of view.

Mr. BRODERICK. You are asking for a legal conclusion?

Mr. GEMMILL. Try that one again.

Mr. LENZNER. You said you were also thinking at the time of problems of custodianship of this money.

Mr. GEMMILL. That is right.

Mr. LENZNER. Would it have been relevant and pertinent to determine whether he had advised other people that he was holding these funds as custodian for the 1972 campaign?

Mr. GEMMILL. I didn't think so at the time; no.

Mr. ARMSTRONG. Did there come a time when you advised the Internal Revenue Service—I believe in the context of the meetings you have discussed here that Mr. Rebozo had not revealed to anyone his receipt of the contributions.

Mr. GEMMILL. You mean in a meeting I had with Mr. Bartlett?

Mr. ARMSTRONG. July 10.

Mr. GEMMILL. Did I do what?

Mr. ARMSTRONG. Did you advise the Internal Revenue Service that Mr. Rebozo had advised you that he had disclosed the contribution to no one?

Mr. GEMMILL. Well, I think—I am not entirely clear on this—but I think I may have told him about, I know I told him the box was in the joint names of Mr. Wakefield—Mr. Wakefield had been told there were instructions in the box for him and that part, but that was it.

Mr. ARMSTRONG. So you would not have advised him that Mr. Rebozo had told you—

Mr. GEMMILL. I don't think so.

Mr. ARMSTRONG. Did there come a time when you advised the Internal Revenue Service that Mr. Rebozo had indicated that he had told Miss Woods about the contribution?

Mr. GEMMILL. That is beyond the time when I can talk.

Mr. LENZNER. I want to get this straightened out. Are you saying now you did not notify the IRS at one time that Rebozo had not told anyone or notified anyone that he had received the \$100,000?

Mr. GEMMILL. We are talking now about the meeting with Bartlett and Webb?

Mr. LENZNER. I think that is correct.

Mr. GEMMILL. And what is the question?

Mr. LENZNER. As to whether you indicated at that time that Rebozo had not notified anyone else that he had received those funds, the \$100,000.

Mr. BRODERICK. I think Mr. Gemmill's answer was he didn't recall. If you have a memorandum—

Mr. GEMMILL. Unless you have something.

Mr. BRODERICK. If you have a memorandum from Mr. Webb or Mr. Bartlett reporting on the conversation with Mr. Gemmill, let him see it.

Mr. LENZNER. If we thought we had something that he could identify to help him refresh his recollection, I would be glad to show it to him. Now, let me ask this question. The last question was: Did you advise the IRS—what was the last question you asked?

Mr. GEMMILL. At any time.

Mr. BRODERICK. The question was, did you advise the IRS at some subsequent time that Mr. Rebozo had told Miss Woods about this contribution?

Mr. GEMMILL. I said that is beyond where I can talk.

Mr. LENZNER. If you did advise the IRS of that, is that not a communication to a third party that would constitute a waiver of the attorney-client privilege?

Mr. GEMMILL. That is part of the work.

Mr. BRODERICK. No.

Mr. GEMMILL. That is clearly just within it.

Mr. LENZNER. Clearly what?

Mr. GEMMILL. It is within the attorney-client relationship, a lawyer's work product.

Mr. ARMSTRONG. At this point we are not inquiring as to the source of your information but the fact that you made such a disclosure to a third party.

Mr. GEMMILL. That is part of it. The work with the Internal Revenue Service was clearly within the attorney-client privilege and attorney's work product.

Mr. ARMSTRONG. So you are saying other than the discussion you had with the Internal Revenue Service that you have described today, all such discussions themselves would be within the attorney-client privilege?

Mr. GEMMILL. Exactly.

Mr. BRODERICK. That is generally right, other than discussions that had been revealed today directly concerning that \$100,000.

Mr. LENZNER. I would assume that would not cover information received from parties who were not clients.

Mr. BRODERICK. No; I am not saying that.

Mr. LENZNER. You are just limiting it to any communication from Mr. Rebozo or his agents or representatives?

Mr. GEMMILL. Anything that I gathered up in connection with the audit, no matter how I gathered it, is attorney work product and is clearly within what we are talking about.

Mr. BRODERICK. I think Mr. Gemmill says you have the privilege on the one hand which covers basically confidences or communications from the client to the lawyer. On the other hand, once the lawyer obtains those confidences, or whatever they are, he may go out and do an investigation on his own and talk to people and that would be the work product.

Mr. LENZNER. That I understand. What I am talking about is if Mr. Gemmill talked to Len Garment or General Haig, for example, to discuss the aspects of the investigation, the White House knowing about that would not be covered, it seems to me, by attorney-client privilege if you were furnishing them with information.

Mr. BRODERICK. You mean if General Haig asked Mr. Gemmill a question about it?

Mr. LENZNER. For a progress report.

Mr. BRODERICK. I would, I think, we both agree with you that that is not covered by the attorney-client privilege.

Mr. LENZNER. That type of communication?

Mr. BRODERICK. That is—

Mr. GEMMILL. The question.

Mr. BRODERICK. I interpreted Mr. Armstrong's question differently.

Mr. ARMSTRONG. Let me ask another question. Aside from Mr. Rebozo, Mr. Frates, or members of his firm, and Mr. Wakefield and representatives of the Internal Revenue Service, who were involved in this investigation, did you have investigations with any other individuals regarding the Hughes \$100,000 contribution?

Mr. BRODERICK. You already know about Mr. Davis—Chester Davis.

Mr. ARMSTRONG. Other than those you discussed.

Mr. BRODERICK. Glaeser. Be specific and I think we can answer the question. You obviously have something in mind. If you can be specific I think we will answer it. But I would like to know specifically what you are talking about.

Mr. ARMSTRONG. I would like to know what you are going to answer.

Mr. BRODERICK. Well——

Mr. ARMSTRONG. Before I get specific, can you tell me what falls within the range of that question?

Mr. BRODERICK. For example, you see, Mr. Armstrong, my problem is this. You talk about the \$100,000. Now, the \$100,000 is part of the entire audit conducted by the IRS. I assume they are not limiting themselves solely to the \$100,000 when they are looking over Mr. Rebozo's affairs and the bank's affairs. So if you are saying did X say to you, "Mr. Gemmill, how is the Rebozo audit coming?" that is one thing. So why don't you put a name on X and ask whatever question you want. We are not here to try to hold information back. My problem is that I, and Mr. Gemmill also, want to be as free and open with you as we possibly can. On the other hand, caught in between is not the proper phrase, but we are acting as lawyers subject to the attorney-client privilege under instruction of a client that we can't go beyond a certain point. When you get into generalities that is where I have difficulty. I might interpret a general question one way or Mr. Frates and Mr. Rebozo might interpret it a different way and Mr. Gemmill can't be placed in the position where he can be subject to criticism by Mr. Rebozo or Mr. Frates on grounds that he exceeded the waiver of the privilege.

Mr. ARMSTRONG. Have you ever talked with any employees in the Executive Office of the President or representatives of the President or agents of the President or the President himself regarding the conduct of the Internal Revenue Service investigation of Mr. Rebozo, the results of that investigation, or the substance of the facts that they were investigating?

Mr. BRODERICK. Concerning the progress of the investigation?

Mr. ARMSTRONG. Progress or conduct of the investigation.

Mr. BRODERICK. Let's go there. Off the record.

[Discussion off the record.]

Mr. GEMMILL. Let's start with, you had three things in your question. Let's take them one at a time and I will answer them.

Mr. ARMSTRONG. First of all, is the group of individuals I am talking about here?

Mr. BRODERICK. Yes, sir.

Mr. ARMSTRONG. The President, his agents or representatives or employees of the Executive Office of the President.

Mr. GEMMILL. Yes, sir.

Mr. ARMSTRONG. Did you discuss with them the progress or conduct of the investigation of Mr. Rebozo by the IRS?

Mr. GEMMILL. On several occasions General Haig said: "How are you getting along with Bebe?" and I said, "They haven't found anything yet." I don't recall that I ever had any discussion with him of any substantive matters or any of the details of the investigation, it was merely, well, that they hadn't found anything yet. That was one thing.

The other type was that on two or three occasions he called—I can recall that he called and said that Mr. Rebozo thought that he was being harassed, that the agents were going into things that they shouldn't get into.

Ms. DEOREO. This is Haig you are speaking of?

Mr. GEMMILL. General Haig. And I remember one occasion I said I don't know what they are doing but don't do anything about it because they are operating under two rules, complete disclosure and nobody going over their heads with the Internal Revenue Service. So, if there is any problem, leave it to me with Mr. Bartlett. Who did you include in the class—agents?

Mr. BRODERICK. Employees or representatives of the President.

Mr. LENZNER. Or the President himself.

Mr. GEMMILL. I will take that one last.

Well, if it includes Mr. Rose, who was an outside personal attorney for the President, I think on one occasion, or maybe two occasions, he said: "How are you doing with the southern client?" and I said, "OK."

Mr. ARMSTRONG. Any more substance than that?

Mr. GEMMILL. No.

Mr. ARMSTRONG. Was it clear what he meant by "How are you doing with your southern client?"

Mr. GEMMILL. It was to me.

Mr. ARMSTRONG. Was he talking in terms of how was the southern client doing or what your relationship was with the southern client?

Mr. GEMMILL. Well, I assumed he meant how the southern client was getting along with the Internal Revenue Service.

Going back to General Haig. In October, after Mr. Bartlett had told me Mr. Rebozo had nothing to worry about, I think also after he had told Mr. Rebozo that, I reported that to General Haig.

Mr. LENZNER. Orally or in writing?

Mr. GEMMILL. Orally. There was no writing.

Mr. ARMSTRONG. That would have been on October 18?

Mr. GEMMILL. I don't know whether it was the 18th but it would have to be after that because that was the day, if the 18th is the day, I wouldn't be entirely positive about the day, whatever day, because it was after Bartlett said it to me.

Mr. LENZNER. Was it the same day he told you?

Mr. GEMMILL. I can't tell you that. Probably. But I can't because I left for Australia. It probably was the same day.

Mr. LENZNER. Do you remember you called him from Philadelphia?

Mr. GEMMILL. No.

Mr. LENZNER. General Haig called you?

Mr. GEMMILL. Philadelphia, I am puzzling over. It was either Chicago or Los Angeles because we were on our way to Australia, New Zealand.

Mr. LENZNER. And you called him?

Mr. GEMMILL. Yes.

Mr. ARMSTRONG. Do you know to what number you would have billed that call?

Mr. GEMMILL. No.

Mr. ARMSTRONG. Would it have been customary for you to bill it to your firm, to Mr. Rebozo?

Mr. GEMMILL. Well, if it was from, as I think, either Chicago or Los Angeles, it is probably my credit card.

Mr. ARMSTRONG. Which would be a firm credit card?

Mr. GEMMILL. Yes, sir.

Mr. ARMSTRONG. Would it be too much of an inconvenience for you to check your records to see if we can get a time on that call?

Mr. GEMMILL. Not at all.

Mr. ARMSTRONG. Incidentally, the other records indicate you talked with Bartlett about 9:30 a.m., eastern standard time, on October 18.

Mr. GEMMILL. Was it the 18th?

Mr. ARMSTRONG. Yes, on that subject. I am just trying to see if that would put it in the framework. If you were in Los Angeles it would have been a very early call.

Mr. LENZNER. 9:30 a.m.

Mr. ARMSTRONG. If you were in Los Angeles it would have been 6:30.

Mr. GEMMILL. I had a series of meetings on the way to Australia. We had a series of meetings in Chicago and then we stopped in Los Angeles for a day to rest up before we took off for Honolulu; well, we can check. We will check it. Where did Bartlett call?

Mr. ARMSTRONG. I believe you called him.

Mr. GEMMILL. That would be on the same. We will look at that one, too.

Mr. BRODERICK. That was on the 18th?

Mr. ARMSTRONG. Yes.

Mr. LENZNER. Had General Haig asked you to find this out before you left the country?

Mr. GEMMILL. I have no recollection he asked me to find it out at all, I just wanted to know myself and have peace of mind before I went or if agents were going to get out a report while I was gone I wanted to be able to get somebody else in the office cranked up to handle it while I was away.

Mr. ARMSTRONG. Are there any other contacts with General Haig, are there any contacts with anybody besides General Haig and Mr. Rose that fall into that category?

Mr. BRODERICK. Mr. Gemmill told you about the call to Mr. Garment on the 12th of June?

Mr. ARMSTRONG. Yes.

Mr. GEMMILL. Going to the President, there were two different times that there was a mention of Mr. Rebozo; once in August at Key Biscayne, as we walked out of his house, Mr. Rose and General Haig and myself, and we were saying goodbye, he said: "I am glad you are taking care of my friend Rebozo; he is clean." That was the total conversation.

Sometime in September, I think it was September, I haven't checked this, but if the date is important, you can probably check his log—I think it was September, after General Haig and I had a lengthy discussion with the President on some of these personal matters, I don't know whether it was General Haig or the President said in effect, "How are you doing with Bebe?" and I said they haven't found anything yet, and I said, "Mr. President, I have been operating on two principles from which I haven't deviated. No. 1, that there should be complete disclosure of all of the facts to the Internal Revenue Service and, No. 2, that nobody shall talk to anybody in the Internal Revenue Service except to the agent or agents who are handling this case," And he said, "Ken, you are exactly right, stick to it."

Mr. LENZNER. That meeting was here at the White House?

Mr. GEMMILL. At the White House.

Mr. ARMSTRONG. Any other contacts?

Mr. GEMMILL. If there are I can't recall them. If you have any notes of them just tell me and I will try to think what they were, but we were puzzling this out yesterday and coming down on the train this morning and since my body may be in Washington, my timeclock is asleep in China, where it is now 4 in the morning. I have never had such a case of jet lag in my life.

Mr. BRODERICK. There is one other conversation.

Mr. GEMMILL. One other conversation I can remember and that was the conversation with Fred Buzhardt, which is within the privilege and we can't talk about that one.

Mr. BRODERICK. It is beyond this period of time and relates to a certain request as to the audit.

Mr. GEMMILL. That is out. We are not here to play games.

Mr. ARMSTRONG. Well now, just so I understand it, Mr. Buzhardt does not represent Mr. Rebozo in any way?

Mr. GEMMILL. No, in connection with the audit, which is my lawyer's work product.

Mr. BRODERICK. As I said earlier, we are in a position——

Mr. LENZNER. That is a rather difficult one because that was not done, as I understand it, at the request of your client.

Mr. GEMMILL. That doesn't make any difference, it was in connection with the work of the audit. Anything in connection with the work of the audit or getting information in connection with the audit is either within the privilege or lawyer's work product and at this point we can't talk about it. I might say I would love to tell you, I wish Mr. Rebozo would give us a complete waiver.

Mr. LENZNER. I can understand if you were doing something on behalf of your client at his request or in regard to specific items that came up related directly to him, but as I understand it, that communication was not made at Mr. Rebozo's request.

Mr. GEMMILL. It doesn't make any difference.

Mr. LENZNER. It was made at the request of the IRS. I think it makes a substantial difference.

Mr. GEMMILL. Not at all.

Mr. BRODERICK. Take a simple situation where a judge makes a request of you representing X to do something, you are doing it on behalf of X and there is where I admit the line becomes difficult to draw.

Mr. LENZNER. I am not sure it is analogous.

Mr. BRODERICK. I think it is.

Mr. LENZNER. Supposing if I was asked by an investigative agency to contact a third party, and the third party furnished me information that related to ongoing criminal—or evidence related to a criminal investigation.

Mr. BRODERICK. That is different. You are putting a rabbit in the hat.

Mr. LENZNER. No, no, what I am saying is that we will say it didn't relate to a specific criminal violation, although this was criminal, this became a criminal investigation, as I understand it, but in any event, if I did that at the request of the third party, why is that privileged when it is——

Mr. GEMMILL. Because it isn't in connection with the third party. We didn't get into who did what to whom.

Mr. LENZNER. I am talking about a hypothetical situation. If I was asked to contact a third party to receive information.

Mr. GEMMILL. If you are asked as a lawyer in connection with the investigation of your client it is within the lawyer's work product.

Mr. ARMSTRONG. Can you give us the dates of your contact with General Haig?

Mr. GEMMILL. No.

Mr. ARMSTRONG. Other than the October 18 contact, are there any others that you can place in time?

Mr. GEMMILL. No; I have no notes and nothing that I can use to refresh my recollection.

Mr. ARMSTRONG. And the contact with Mr. Rose, do you recall when that would have been?

Mr. GEMMILL. No.

Mr. LENZNER. Was anyone else present when General Haig had these communications with you?

Mr. GEMMILL. Certainly not the telephone calls. I don't remember anybody else being present.

Mr. LENZNER. Do you remember approximately how long after—I am sorry, go ahead.

Mr. GEMMILL. No.

Mr. LENZNER. Do you know how long after you were retained that General Haig first mentioned this matter to you?

Mr. GEMMILL. No, I can't. I really can't. I am trying to figure out whether there is any way I can identify it and I really can't.

Mr. LENZNER. Did General Haig indicate he had any other information besides the fact he was aware you were representing Mr. Rebozo with regard to this matter?

Mr. GEMMILL. General Haig indicated what he had?

Mr. LENZNER. That he himself had any other information or discussed it with Mr. Rebozo?

Mr. GEMMILL. Oh, well, in the telephone calls obviously, he had discussed something with Mr. Rebozo because he was reporting that Mr. Rebozo felt harassed and put upon, that the agents were going too far.

Mr. ARMSTRONG. To take a step back to the June 11, 1973, meeting, Mr. Gemmill, Mr. Rebozo indicated to you, as I understand your testimony here today, that he had opened an account in the name of the Committee To Re-Elect the President in the Key Biscayne Bank for deposit in 1972. Did he indicate why he had not deposited this \$100,000 contribution?

Mr. GEMMILL. No.

Mr. ARMSTRONG. Did he indicate that all other campaign funds he had received had been deposited in that account?

Mr. GEMMILL. Yes, sir.

Mr. ARMSTRONG. And was there anything that you understood, explicit or implicit, to distinguish this campaign contribution from other campaign contributions as one that was not deposited?

Mr. GEMMILL. No. It was just a factual business. This one wasn't and all the others were.

Mr. ARMSTRONG. At that or any other time, did Mr. Rebozo indicate that he had received other cash campaign contributions which he had not reported to the campaign?

Mr. GEMMILL. Which he had not reported?

Mr. ARMSTRONG. Which he had not turned over to the campaign.

Mr. GEMMILL. My understanding was all he had gotten, all campaign contributions except this \$100,000, which turned out to be \$100,000 plus, had gone into this account in connection with the 1972 campaign.

Mr. ARMSTRONG. And was there any indication that—this was all discussed on June 11, 1973—your notes reflect he made this statement initially?

Mr. GEMMILL. My notes reflect he made what statement?

Mr. ARMSTRONG. He asserted initially that all other campaign contributions had gone into the account in the name of the Committee To Re-Elect the President.

Mr. GEMMILL. Right. Well, I don't have any notes. The notes—my recollection—they weren't notes made contemporaneously.

Mr. ARMSTRONG. That is your recollection at that time?

Mr. GEMMILL. Yes, sir.

Mr. ARMSTRONG. Has he ever advised you to the contrary?

Mr. GEMMILL. During the period that we are allowed to talk about, no.

Mr. ARMSTRONG. I was actually interested in a broader period. Have you had any discussions with anyone, other than the attorneys for Mr. Rebozo, Mr. Rebozo or the Internal Revenue Service, regarding whether or not Mr. Rebozo received any other cash contributions, which he did not turn in to the campaign or the Committee To Re-Elect the President?

Mr. GEMMILL. Did I ever talk to anybody about campaign contributions he got that he didn't put in this account?

Mr. ARMSTRONG. Right.

Mr. GEMMILL. The only conversation I had I told you about where he told me everything he had went into the account except the \$100,000.

Mr. ARMSTRONG. You never discussed that with anybody other than Mr. Rebozo and his attorney or the IRS?

Mr. GEMMILL. No.

Mr. ARMSTRONG. When you spoke to Mr. Rebozo on June 11, 1973, did he indicate he had already attempted to return the money to Mr. Danner?

Mr. GEMMILL. I have no recollection of that.

Mr. ARMSTRONG. Is it your recollection that you were the one who suggested the money should be returned?

Mr. GEMMILL. Yes.

Mr. ARMSTRONG. Mr. Rebozo didn't bring that up independently?

Mr. GEMMILL. No. I said that after I talked to Mr. Danner I would give him advice as to what to do.

Mr. ARMSTRONG. You told him at that time your initial impression?

Mr. GEMMILL. Subject to talking to Mr. Danner, I told him I thought that is what I would do, and if I did, I wanted him to agree to the conditions that I told you about.

Mr. ARMSTRONG. Now, at that or any subsequent time, did you discuss with Mr. Rebozo whose money this \$100,000—whose money this was? It is my understanding he had informed you, correct me if I am wrong, he had already told the Internal Revenue Service agents whose money it was, but it wasn't his.

Mr. GEMMILL. That is correct.

Mr. ARMSTRONG. Did you have any other discussions with him about whose money that was?

Mr. GEMMILL. No, sir.

Mr. ARMSTRONG. To your knowledge, did he or you make any attempt to determine whether or not the money might belong to the Committee To Re-Elect the President or the Republican National Committee?

Mr. GEMMILL. No.

Mr. ARMSTRONG. Or to the President himself?

Mr. GEMMILL. No; the only conversation I had, I told you about, was with Danner and then advised him I thought the money ought to be returned to him.

Mr. BRODERICK. You mean Chester Davis?

Mr. GEMMILL. Yes. No conversation with Danner. I am sorry.

Mr. ARMSTRONG. There was no attempt as far as you are aware, on your part or Mr. Rebozo's part, to contact any official of the Committee To Re-Elect the President or the Republican—

Mr. GEMMILL. I don't know about Mr. Rebozo but there was none on mine.

Mr. ARMSTRONG. None that you are aware of, on Mr. Rebozo's part to determine whether it was acceptable to return the money?

Mr. GEMMILL. He never said a word about that during the period we are talking about.

Mr. ARMSTRONG. Now, when you originally indicated to Mr. Rebozo that one of your conditions was nobody should go over the heads of the agents, did he indicate at the time that was acceptable to him?

Mr. GEMMILL. Absolutely.

Mr. ARMSTRONG. And did he indicate—first of all, did you ask him whether or not he had any contact with representatives of the Internal Revenue Service other than with the two agents on May 10, 1973?

Mr. GEMMILL. No, sir.

Mr. ARMSTRONG. 1973.

Mr. GEMMILL. No.

Mr. ARMSTRONG. You didn't inquire?

Mr. GEMMILL. No.

Mr. ARMSTRONG. Did he indicate whether or not he had any other contact?

Mr. GEMMILL. He told me that is it.

Mr. ARMSTRONG. Did you ask him or did he indicate anyone on his behalf, such as individuals in the White House or Executive Office of the President had had contacts with the members of the Internal Revenue Service?

Mr. GEMMILL. Did I ask him that? No.

Mr. ARMSTRONG. Did you subsequently become aware that individuals within the White House had had contact with the Internal Revenue Service, with representatives of the Internal Revenue Service on this matter?

Mr. GEMMILL. During the time we are talking about; no.

Mr. ARMSTRONG. Well, did you become aware of it at any subsequent time from any source other than Mr. Rebozo, his attorneys, or representatives of the Internal Revenue Service?

Mr. GEMMILL. The answer is "No," and, well, I read in the papers.

Mr. ARMSTRONG. Other than media accounts.

Mr. GEMMILL. I read in the paper that General Haig had testified that Mr. Simon told him something or other but that was in a great stack of newscippings that I read yesterday.

Mr. ARMSTRONG. That wasn't in the Chinese papers?

Mr. GEMMILL. No, yesterday.

Mr. ARMSTRONG. When Mr. Rebozo attempted to contact Mr. Danner on June 11, 1973, first of all, I gather you are not aware whether he tried to contact him directly or through someone else, he just made some calls.

Mr. GEMMILL. Yes; I don't know whether he called his office in Las Vegas and the secretary made the contact or whether he called. Who he was calling I don't know.

Mr. ARMSTRONG. Were there any incoming calls to your office on that occasion?

Mr. GEMMILL. I just don't remember. There may have been because he may have, I am not saying there were, because he called somebody and then Danner was in Dayton, Ohio, and there were calls. The secretary may have called, I don't know. I really wasn't paying much attention to that arrangement. I think, in fact, I went out of the room once and came back and said have you gotten in touch with him?

Mr. ARMSTRONG. From the context of Mr. Rebozo's actions at that time did you get any impression as to whether or not Mr. Rebozo had previously tried to contact Mr. Danner or was having difficulty contacting Mr. Danner?

Mr. GEMMILL. I didn't have any impression about that. They were making telephone calls. He was there making telephone calls.

Mr. ARMSTRONG. As I understand it, on the next day Mr. Danner canceled out of a meeting that was to take place with Mr. Rebozo?

Mr. GEMMILL. With me.

Mr. ARMSTRONG. In Philadelphia?

Mr. GEMMILL. Yes, sir.

Mr. ARMSTRONG. Mr. Rebozo was not originally scheduled to attend that meeting?

Mr. GEMMILL. No; he had gone off somewhere. I don't know where he went.

Mr. ARMSTRONG. And is it correct then, that as of June 12, 1973, you had no reason to believe Mr. Danner would not accept the money back?

Mr. GEMMILL. I had no—

Mr. ARMSTRONG. One way or the other?

Mr. GEMMILL. No; because I hadn't talked to him.

Mr. ARMSTRONG. Did Mr. Rebozo inform you that he had had a meeting with Mr. Danner on May 20, 1973, or May 19, I believe, 18, 19, and 20, 1973, that he met with him in Washington, D.C., and at Camp David?

Mr. GEMMILL. No.

Mr. ARMSTRONG. Did Mr. Rebozo indicate to you that the President had joined them, that Mr. Danner and Mr. Rebozo had met with the President on May 20, 1973?

Mr. GEMMILL. No.

Mr. ARMSTRONG. At Camp David.

Mr. GEMMILL. I don't think I ever heard that.

Mr. ARMSTRONG. Until press accounts.

Mr. GEMMILL. That is right.

Mr. ARMSTRONG. The first time you spoke with Mr. Danner was on June 19, 1973, is that correct?

Mr. GEMMILL. That is when Rebozo was in the office and called him and talked to Danner and Danner asked to talk to me.

Mr. ARMSTRONG. That was the occasion when Mr. Danner was supposed to show up for a meeting?

Mr. GEMMILL. At least I thought he was. Maybe I was mistaken. June 19, that is right, that was the first time I ever talked to him.

Mr. ARMSTRONG. You have indicated today that Mr. Danner explained that Mr. Davis and Mr. West had represented him previously. Did he indicate anything further than that as to why he would not talk to you?

Mr. GEMMILL. He didn't say they had represented him, he said they were present at the time he was interviewed by the Revenue agents and they told him not to talk to anybody.

Mr. ARMSTRONG. Were you aware at that time what the relationship between Mr. Danner and Mr. Davis was, or Mr. West?

Mr. GEMMILL. I had never met Davis, never met West.

Mr. ARMSTRONG. And when you first spoke with Mr. Davis, together, that same day, did Mr. Chester Davis indicate there was any difficulty that he foresaw, any difficulty in reaccepting the money, having the money returned?

Mr. GEMMILL. We didn't discuss the merits of the thing at all. We were fixing the date to get together to discuss it.

Mr. ARMSTRONG. You didn't discuss it with Mr. Davis until June 21, 1973?

Mr. GEMMILL. That is right.

Mr. ARMSTRONG. At that time he indicated he had no difficulty with reaccepting the money?

Mr. GEMMILL. None whatsoever.

Mr. ARMSTRONG. Did he indicate he was aware of any contact with Mr. Danner and Mr. Rebozo that had taken place prior to June 11, 1973?

Mr. GEMMILL. I don't remember any discussion of that at all.

Mr. ARMSTRONG. When you spoke with Mr. Garment on June 12, 1973, you said the complete substance was that you told Mr. Garment, Mr. Rebozo had been to see you and he indicated you should handle him as a private client, he didn't want to know any more about it?

Mr. GEMMILL. That is correct.

Mr. ARMSTRONG. Did it appear that Mr. Garment was aware of the nature of Mr. Rebozo's tax problems?

Mr. GEMMILL. That is the entire conversation. I didn't draw any inference.

Mr. ARMSTRONG. Did Mr. Rebozo indicate to you why he had originally removed the bank wrappers from the cash that was in the safety deposit box?

Mr. GEMMILL. Why he had?

Mr. ARMSTRONG. Yes.

Mr. GEMMILL. I don't think so. I think I read, I don't think he ever told me personally, no.

Mr. ARMSTRONG. Did he indicate why he had destroyed the envelopes in which the cash was contained?

Mr. GEMMILL. No.

Mr. ARMSTRONG. Did he indicate why he destroyed the instructions to Mr. Wakefield?

Mr. GEMMILL. No.

Mr. ARMSTRONG. Did Mr. Rebozo indicate what contacts, if any, he had had with any other individuals, other than Mr. Danner and the Hughes Tool Co., if there was a history of the relationship between Mr. Rebozo and the Hughes Tool Co.?

Mr. GEMMILL. No, no, it was just Mr. Danner.

Mr. ARMSTRONG. For example, he did not mention Mr. Maheu?

Mr. GEMMILL. No, no recollection of that.

Mr. ARMSTRONG. And did you ask or did Mr. Rebozo indicate—

Mr. GEMMILL. I saw about Maheu in Danner's statement to the Internal Revenue Service. I think that was the first time I knew anything about that. But Mr. Rebozo didn't mention it to me.

Mr. ARMSTRONG. That was somewhat later you read—

Mr. GEMMILL. That was the meeting with Chester Davis at the Madison.

Mr. ARMSTRONG. That was the first time you learned of Mr. Maheu?

Mr. GEMMILL. I am pretty sure that is right, other than the mention of Maheu's name by Mr. Rebozo at my first meeting with Mr. Rebozo.

Mr. ARMSTRONG. Subsequent to that, did you discuss with Mr. Rebozo what Mr. Maheu's role in the delivery of the contributions had been?

Mr. GEMMILL. During the period we are talking about, no.

Mr. ARMSTRONG. Did you make any attempt to contact Mr. Maheu to determine his—

Mr. GEMMILL. No.

Mr. ARMSTRONG. Was there any reason why you were more interested in Mr. Danner?

Mr. GEMMILL. It seems to me he was the man who had delivered the money. He is the only man that Mr. Rebozo mentioned.

Mr. ARMSTRONG. Were you aware or were you not, that Mr. Maheu may have been present for one of the deliveries of the funds?

Mr. GEMMILL. But that wasn't until the Chester Davis meeting. I am not sure that is in that.

Mr. ARMSTRONG. Maybe we should clarify one thing. On June 21 with Mr. Davis—what you saw—did you see the original request and a—

Mr. GEMMILL. Just the first one.

Mr. ARMSTRONG. At that time you had seen there was no affidavit?

Mr. GEMMILL. No, the affidavit was not there.

Mr. ARMSTRONG. Did you subsequently receive a copy of the affidavit?

Mr. GEMMILL. Yes.

Mr. ARMSTRONG. And from whom did you receive that?

Mr. GEMMILL. Chester Davis.

Mr. ARMSTRONG. When did you receive that?

Mr. GEMMILL. I don't know.

Mr. ARMSTRONG. It was subsequent to the June 21 meeting. Was it also subsequent to the return of the money? I think it is dated in July.

Mr. BRODERICK. Dated in July, so I think it would be subsequent to the return of the money.

Mr. ARMSTRONG. Assuming it was accurately dated.

Mr. GEMMILL. Wasn't it dated before the Revenue—

Mr. ARMSTRONG. Do you recall if you received it before or after your meeting with the Revenue agents on July 10, 1973?

Mr. GEMMILL. What is the date on it?

Mr. ARMSTRONG. It is dated a couple days before.

Mr. BRODERICK. You might as well get it out. Do you have a copy of it?

Mr. ARMSTRONG. I don't have a copy with me.

Mr. BRODERICK. It is dated July 5, as I recall.

Mr. GEMMILL. I am sure it was after that, because I am sure the only thing I had seen was Danner's original statement, unsigned, to the Revenue agents at the time I saw the Revenue agents because I told them I had seen it.

Mr. BRODERICK. The copy of the affidavit I have in front of me purports to be dated on July 5, 1973.

Mr. ARMSTRONG. Is it a signed copy?

Mr. BRODERICK. No; it is xeroxed, what purports to be.

Mr. ARMSTRONG. It has what purports to be the signature of Mr. Danner on it?

Mr. BRODERICK. Yes, sir.

Mr. ARMSTRONG. And do you recall if you had received that prior to July 10?

Mr. GEMMILL. My recollection is that the only thing I had seen before I saw the Revenue agents, and I so told them, was the original Danner—what turns out to be the original Danner statements to the Revenue agents.

Mr. ARMSTRONG. Do you recall if you received from Mr. Davis the July 5 affidavit during July of 1973?

Mr. GEMMILL. I don't know.

Mr. ARMSTRONG. Did you receive it in the mail or did you receive it in person?

Mr. GEMMILL. I don't remember. I think it must have come in the mail but I really don't remember. The reason it puzzles me, I don't remember any letter.

Mr. ARMSTRONG. Did you meet Mr. Davis on any occasion other than June 21, 1973, and I believe you said he was present briefly in October.

Mr. GEMMILL. October 10.

Mr. ARMSTRONG. 1973. Were there any other occasions?

Mr. GEMMILL. No, sir.

Mr. ARMSTRONG. Do you recall if he gave it to you on October 10, 1973?

Mr. GEMMILL. I really don't. If I went through the file, maybe I could find some indication, but as a recollection matter, I don't know.

Mr. ARMSTRONG. Did you have any correspondence with Mr. Davis other than——

Mr. GEMMILL. I don't think so.

Mr. ARMSTRONG. We would appreciate if you can place a date when you received it.

Mr. GEMMILL. We will try. I am not sure we can succeed, but we will sure try.

Mr. ARMSTRONG. Other than Mr. Danner and Mr. Davis and Mr. Glaeser, have you spoken with anyone else from the Hughes Tool Co. or Summa Corp. or any other representative of Mr. Hughes?

Mr. BRODERICK. That is a fairly broad question.

Mr. ARMSTRONG. In connection with this.

Mr. BRODERICK. I mean, if he can answer it, all right. It assumes you would know who was——

Mr. GEMMILL. Who was connected and who was not. I might have met somebody in a bar.

Mr. ARMSTRONG. As agents or representatives or employees of the Hughes Tool Co.

Mr. GEMMILL. Other than who?

Mr. ARMSTRONG. Other than Mr. Danner, Mr. Davis and Mr. Glaeser.

Mr. GEMMILL. I am not sure Glaeser is one, but the answer is, "No."

Mr. ARMSTRONG. Off the record.

[Discussion off the record.]

Mr. GEMMILL. He testified here.

Mr. ARMSTRONG. That was on June 11, 1973, when you instructed Mr. Rebozo to go to the safety deposit box with Mr. Wakefield and get the serial numbers?

Mr. GEMMILL. No, no.

Mr. ARMSTRONG. I am sorry.

Mr. GEMMILL. That was later. I don't know what date it was. I can probably reconstruct it. What is the date on——

Ms. DeOREO. It was on the 18th that he actually did.

Mr. GEMMILL. That is when he went to the box and did it. Then it was a couple of days before that.

Mr. ARMSTRONG. And I want to make sure I understand this correctly. Mr. Rebozo suggested at that time or he asked whether or not you thought it would be a good idea to have an FBI agent present?

Mr. GEMMILL. He said anybody connected with the Government such as an FBI agent.

Mr. ARMSTRONG. Did he indicate that he had had any contact with an FBI agent at that time or any agent of the Government?

Mr. GEMMILL. No.

Mr. ARMSTRONG. Did he raise the question of whether or not the FBI agent might be able to ascertain how long the money had been in the safety deposit box?

Mr. GEMMILL. No. I don't think so. I think I had that in the back of my head. I may have said it was all right to do it.

Mr. ARMSTRONG. You don't recall any discussion with him about the FBI agent offering to come in on the length of time the money had been in the safety deposit box, offering his opinion?

Mr. GEMMILL. Well, I may have said to him maybe the fellow can identify how long it has been there.

Mr. ARMSTRONG. By that time you had indicated to Rebozo you felt it would be desirable for you to consult with investigators to determine whether or not that could be ascertained?

Mr. GEMMILL. Our office investigators, I told them that on June 11. I had the answer back that they could find no known test to tell how long money had been in a place, but that you could get a record from the Federal Reserve as to when \$100 bills were issued, because a record was kept in each Federal Reserve district.

Mr. ARMSTRONG. Do you know how quickly you received that information back from the investigators in your office?

Mr. GEMMILL. It was 3 or 4 days.

Mr. ARMSTRONG. And you communicated that to Mr. Rebozo?

Mr. GEMMILL. Yes, I think so.

Mr. ARMSTRONG. Shortly after you learned it?

Mr. GEMMILL. No; I think I said I communicated it to him when he came on——

Mr. ARMSTRONG. July 19?

Mr. BRODERICK. June 19.

Mr. GEMMILL. June 19 is what this shows.

Mr. ARMSTRONG. Did he indicate at that time that Mr. Whitaker, the FBI agent, had informed him of the same thing?

Mr. GEMMILL. I never heard Mr. Whitaker's name. Mr. Whitaker was the FBI agent?

Mr. ARMSTRONG. Yes.

Mr. GEMMILL. No; I don't remember that. In other words, did he confirm, did he say, did Mr. Whitaker agree with that?

Mr. ARMSTRONG. Yes.

Mr. GEMMILL. No; I don't remember that.

Mr. ARMSTRONG. Do you know with whom, if anyone, the investigators in your office might have consulted?

Mr. GEMMILL. No, sir.

Mr. ARMSTRONG. In order to determine that.

Mr. GEMMILL. No.

Mr. ARMSTRONG. Can you tell us the name of the investigator that you consulted in your office?

Mr. GEMMILL. Ervin Sacks.

Mr. ARMSTRONG. S-a-c-k——

Mr. GEMMILL. c-k-s.

Mr. ARMSTRONG. And did you understand from Mr. Sacks he had consulted someone or some authority outside of the office?

Mr. GEMMILL. Yes, sir.

Mr. ARMSTRONG. He did not have the answer ready at hand?

Mr. GEMMILL. No; he had to go——

Mr. ARMSTRONG. Did you have any contact yourself, or did anyone on your behalf, with the Federal Reserve bank?

Mr. GEMMILL. No. Other than my agreement with Mr. Bartlett that he would do it and when he got the answer he would give me the answer.

Mr. ARMSTRONG. But you had no contact yourself?

Mr. GEMMILL. None.

Mr. ARMSTRONG. And do you know if Mr. Rebozo had any contact with the Federal Reserve banks for that purpose?

Mr. GEMMILL. As far as I know he didn't.

Mr. ARMSTRONG. Have you ever been advised Mr. Whitaker had prepared any written reports of his visit to the Key Biscayne Bank on June 18, 1973?

Mr. GEMMILL. That he prepared any written reports?

Mr. ARMSTRONG. Yes.

Mr. GEMMILL. No.

Mr. ARMSTRONG. Have you had any contact with the Federal Bureau of Investigation regarding this Hughes contribution?

Mr. GEMMILL. Have I talked to anybody in the FBI?

Mr. ARMSTRONG. Yes.

Mr. GEMMILL. No.

Mr. ARMSTRONG. And are you aware of any relationship which Mr. Whitaker may have possibly had with the Hughes Tool Co.?

Mr. GEMMILL. No.

Mr. ARMSTRONG. One thing I am not sure is clear in the record, when you talked with Mr. Rebozo on June 18, 1973, and discussed—I gather you discussed at that time the tentative meeting with Mr. Danner on June 19, 1973, who suggested—whose idea was it to have Mr. Danner present on June 19?

Mr. GEMMILL. I think you have the dates wrong.

Mr. ARMSTRONG. I am referring to the meeting where Mr. Danner did not appear.

Mr. GEMMILL. I had suggested that Mr. Danner come. I wanted to find out what the facts were from him. I had suggested to Mr. Rebozo that Mr. Rebozo get him. I had no direct contact with Mr. Danner.

Mr. ARMSTRONG. During the meeting on June 19, 1973, was it your understanding that Mr. Rebozo had with him the \$100,000?

Mr. GEMMILL. I explained that.

Mr. ARMSTRONG. Well, maybe I have got my dates wrong.

Mr. GEMMILL. You have got it right. I said—

Mr. ARMSTRONG. I'm sorry, yes, you did explain it.

Mr. GEMMILL. It is getting late and I am tired, so I think we ought to do these things once.

Mr. ARMSTRONG. Through the time of the return of the money on June 27, 1973, you were not aware of who Mr. Griffin was, correct? What business or professional relationship he might have had?

Mr. GEMMILL. He was a name and telephone number as far as I was concerned.

Mr. ARMSTRONG. By October 10, 1973, were you aware of what the business or professional relationship between Mr. Griffin and Mr. Rebozo was?

Mr. GEMMILL. October 10?

Mr. ARMSTRONG. October 10 is, I believe, the date you met in New York with the Internal Revenue Service agents to review the money.

Mr. BRODERICK. Your question?

Mr. GEMMILL. Griffin wasn't involved in that.

Mr. BRODERICK. Your question is by October 10, 1973, did Mr. Gemmill learn who Mr. Griffin was?

Mr. ARMSTRONG. Yes.

Mr. GEMMILL. Well, I saw him when he delivered the package. What do you mean by who he was? He was a lawyer.

Mr. ARMSTRONG. Well, did you understand what his business and professional relationship with Mr. Rebozo was?

Mr. GEMMILL. I don't think I ever heard that he had any. I have no recollection on that score. Griffin came and he was a name and he came and went and that was Griffin.

Mr. ARMSTRONG. Were you aware that the Internal Revenue Service agents had a meeting scheduled with Mr. Griffin on October 10, 1973?

Mr. GEMMILL. Yes, sir.

Mr. ARMSTRONG. Were you aware of the purpose of that meeting?

Mr. GEMMILL. That was to audit the B & C books.

Mr. ARMSTRONG. In connection with the Hughes investigation?

Mr. GEMMILL. No, no, in connection with the general examination of Mr. Rebozo's tax affairs.

Mr. ARMSTRONG. Were you present at that meeting?

Mr. GEMMILL. Yes.

Mr. ARMSTRONG. And can you tell us whether there was any discussion other than just the perusal of the books by the agents, whether there was any substantive discussion that took place?

Mr. GEMMILL. I heard none. I wasn't there the entire time. I went out and made telephone calls and came back.

Mr. ARMSTRONG. When you informed Mr. Rebozo that while the investigators had investigated you, there would be no way to determine how long the money had been in the box, that perhaps the Federal Reserve could, Federal Reserve would be able to check the date, did Mr. Rebozo have any reaction or make any statement at that time?

Mr. GEMMILL. No; he said go ahead and I hope they do it.

Mr. ARMSTRONG. Did Mr. Rebozo suggest on June 19, 1973, that he leave the \$100,000 with you?

Mr. GEMMILL. No.

Mr. ARMSTRONG. Did that subject come up at all?

Mr. GEMMILL. No.

Mr. ARMSTRONG. Just to be straightforward, our notes of December 3, 1973, the interview with you, reflect the fact that you indicated that after a conversation with Rebozo in your office on June 19, that he told you that he had the money with him and he wanted you to take it and you refused.

Mr. GEMMILL. It could be. Yes; I have a note here, it is in pencil, it isn't the same note, it says I didn't want it. He said he would have a Mr. Griffin hold it and gave me his telephone number.

Mr. ARMSTRONG. Can you tell us why you didn't want to hold that money?

Mr. GEMMILL. I don't know.

Mr. ARMSTRONG. Was there any particular reason why it seemed inadvisable to you?

Mr. GEMMILL. It just didn't.

Mr. BRODERICK. For us to keep \$100,000 in our office?

Mr. GEMMILL. It didn't seem like a good idea.

Ms. DEOREO. You didn't expect Mr. Rebozo to bring the money with him on June 19?

Mr. GEMMILL. Yes.

Ms. DEOREO. Did you expect Danner to be there?

Mr. GEMMILL. Yes; exactly right.

Ms. DEOREO. Up to June 19, did you expect that Mr. Danner would be present in your office and that he had the power to accept the return of the money?

Mr. GEMMILL. Well, I don't know what he had power to do because I didn't know anything about Mr. Danner. I was going to ask him when he got there.

Ms. DEOREO. So did Mr. Robozo bring the money because you asked him to bring the money?

Mr. GEMMILL. Yes.

Mr. BRODERICK. We weren't anticipating serving as a repository for \$100,000.

Mr. GEMMILL. Or even an extra hundred.

Mr. ARMSTRONG. On June 21, 1973, at your meeting with Mr. Davis, can you tell us what discussion occurred aside from him furnishing you with a copy of the Internal Revenue Service Danner deposition?

Mr. GEMMILL. I don't remember anything except what I have already told you.

Mr. ARMSTRONG. Did Mr. Davis raise the question whether or not there might be a list of serial numbers on the original \$100,000 contribution? In other words, a list made prior to turning it over?

Mr. GEMMILL. My recollection is he told me there was no such list.

Mr. ARMSTRONG. Did he indicate what he had done in order to ascertain that?

Mr. GEMMILL. No; it was just that statement.

Mr. BRODERICK. How much longer do you expect to be?

Mr. ARMSTRONG. We will be about another 30 minutes.

Mr. BRODERICK. Why don't we take a 5-minute break?

Mr. ARMSTRONG. Fine.

[Recess.]

Mr. ARMSTRONG. Back on the record. Mr. Gemmill, are you aware of any 1968 campaign contributions in the 1968 campaign which Mr. Rebozo retained beyond the period of that campaign and converted to personal use?

Mr. BRODERICK. Aware of any political contributions given in the 1968 campaign which Mr. Rebozo received and converted to his own personal use?

Mr. ARMSTRONG. Retained after the 1968—

Mr. BRODERICK. That would be covered by the privilege if he did.

Mr. LENZNER. If he learned about it during the period that the waiver covers would that be privileged also?

Mr. BRODERICK. Yes; because the privilege is waived solely with respect to the return of \$100,000.

Mr. GEMMILL. Nothing else.

Mr. BRODERICK. So if he had any such information it would be covered by the agreement.

Mr. ARMSTRONG. Are you aware of any campaign contributions which Mr. Rebozo received, the proceeds from which were used illegally in behalf of any other individual?

Mr. GEMMILL. Double privilege.

Mr. BRODERICK. I think that is covered by the privilege also.

Mr. LENZNER. If it is evidence of a criminal violation, my understanding is that—

Mr. SCHULTZ. It is an exception to the attorney-client privilege.

Mr. BRODERICK. A conversation attempting: (a) to commit a crime in the future, or (b) having committed a crime in the past. I have a code of professional responsibility. I can take a look at it to see what it says specifically. But, first of all, the question was not criminal, it was illegal, which can be civil penalties as opposed to criminal penalties in any event.

Mr. LENZNER. We will rephrase it. Why don't you rephrase it?

Mr. ARMSTRONG. Are you aware of any campaign contribution which Mr. Rebozo received and converted for his own or anyone else's use, in a manner which would subject him to criminal penalties?

Mr. GEMMILL. No.

Mr. ARMSTRONG. Now, in connection with the Hughes \$100,000 contribution, the return of the contribution, or its possible use, have you had any contact with Mr. Abplanalp?

Mr. GEMMILL. During the period that I can testify about I have told you everybody I had contact with.

Mr. ARMSTRONG. And you maintain that such a contact would be privileged?

Mr. GEMMILL. That is right.

Mr. ARMSTRONG. It occurred outside of the period?

Mr. GEMMILL. That is right.

Mr. LENZNER. Are you saying even the fact that you were in contact with an individual regardless of who the individual is?

Mr. GEMMILL. Yes, if it was in connection with the income tax investigation it would be; yes.

Mr. LENZNER. And you are saying that you did not have such a contact in the periods that you are allowed to testify to?

Mr. GEMMILL. That is right.

Mr. LENZNER. Are you still representing Mr. Rebozo, by the way?

Mr. GEMMILL. I think so.

Mr. LENZNER. Have you been through that?

Mr. ARMSTRONG. He asked me if I covered that.

Mr. SCHULTZ. He just got back from Australia-China.

Mr. GEMMILL. I would say I was representing him. Nothing has happened to represent him.

Mr. LENZNER. Nothing has?

Mr. GEMMILL. I have not heard from the Internal Revenue Service about anything that needs doing but I assume, yes, I assume he has not canceled my power of attorney.

Mr. LENZNER. You are not aware whether any additional subpoenas have been served upon him by the IRS or the Special Prosecutor's office?

Mr. GEMMILL. No.

Mr. BRODERICK. IRS or Special Prosecutor's office?

Mr. GEMMILL. On him. If they have, I have not seen him.

Mr. BRODERICK. By that you mean—

Mr. LENZNER. In the last 6 weeks.

Mr. GEMMILL. I have not seen them. I have been out where there is nothing.

Mr. ARMSTRONG. In the course of your representation of Mr. Rebozo, between June 11, 1973, and June 27, 1973, did you have any discussions

with Mr. Rebozo regarding Mr. Lawrence O'Brien, Mr. F. Donald Nixon, or Mr. Edward Nixon?

Mr. GEMMILL. No.

Mr. ARMSTRONG. Your original contact with the Internal Revenue Service, as we understand, Mr. Rebozo suggested that you contact Mr. Barth?

Mr. GEMMILL. That is right.

Mr. ARMSTRONG. Did he indicate where or how he got Mr. Barth's name?

Mr. GEMMILL. No.

Mr. ARMSTRONG. I gather from the fact that you had to consult the——

Mr. GEMMILL. Telephone number.

Mr. ARMSTRONG. He did not indicate Mr. Barth's position?

Mr. GEMMILL. No.

Mr. ARMSTRONG. And you indicated you did contact Mr. Barth?

Mr. GEMMILL. Right.

Mr. ARMSTRONG. Mr. Barth indicated——

Mr. GEMMILL. He said that matter is in Intelligence. He gave me the fellow's name I spelled.

Mr. ARMSTRONG. Was there any other discussion with Mr. Barth?

Mr. GEMMILL. He said the matter is in Intelligence, that is all, that was it.

Mr. ARMSTRONG. And was Mr. Barth at that time an assistant to the Commissioner?

Mr. GEMMILL. My recollection is I found him in the Chief Counsel's, listed in the Chief Counsel's office, but you would have to get the book. If we got the book we could find him. I think he was in the Chief Counsel's office. That is what made me think he couldn't possibly have anything to do with what I wanted to talk about.

Mr. ARMSTRONG. Have you had any contact with Mr. Barth subsequently?

Mr. GEMMILL. About this matter?

Mr. ARMSTRONG. About any matter.

Mr. GEMMILL. I don't know Mr. Barth. He called Mr. Rose. Without being cute about it, he called Mr. Rose about another client and I heard part of what he was saying on the telephone, but it's another client, I have no privilege to talk, waiver of privilege in that case at all. But that would be the only one. I never met him.

Mr. ARMSTRONG. Was that client the President?

Mr. GEMMILL. Yes.

Mr. ARMSTRONG. Incidentally, as a result of Ms. DeOreo's conversation with Mr. Broderick, did you consult with the President about waiver of privilege relating to those matters?

Mr. GEMMILL. No, sir. I think she suggested only Mr. Rebozo, didn't she?

Mr. BRODERICK. I think that is right. When we talked it was a discussion whether I was going to talk to Mr. Rebozo and I said I would attempt to do so during the course of the day.

Mr. ARMSTRONG. Can we ask you to contact the President? There will be some areas I will be getting into which I assume——

Mr. BRODERICK. Why don't we get to the specific areas so we can know what we are talking about.

Mr. LENZNER. If this has been gone over, stop me. Did any other member of your firm have contact with General Haig or Mr. Buzhardt or Mr. Garment with regard to this matter, to your knowledge?

Mr. GEMMILL. No. The secretaries pick up calls and stuff.

Mr. LENZNER. Associates or partners while you were away or out of town?

Mr. GEMMILL. To my knowledge, no.

Mr. ARMSTRONG. Have you had any contact with anyone in the Commissioner's office of the Internal Revenue Service with regard to this matter?

Mr. GEMMILL. We answered that. The answer is, "No."

Mr. ARMSTRONG. I'm sorry.

Mr. GEMMILL. I said there had been no contact with anyone in the Internal Revenue Service.

Mr. ARMSTRONG. You have had no contact with Commissioner Alexander.

Mr. GEMMILL. About this matter, no.

Mr. ARMSTRONG. Have you had any contact with Commissioner Alexander regarding the matter dealing with the President in which this matter came up as a subject of conversation?

Mr. GEMMILL. I have had no contact with Commissioner Alexander about the Hughes \$100,000.

Mr. ARMSTRONG. Now, did you have a contact with Mr. Bartlett regarding whether or not cashier's checks would be made available at the bank for—

Mr. GEMMILL. That is outside the scope of what we can talk about.

Mr. ARMSTRONG. Because of the time period?

Mr. GEMMILL. Because of the time period.

Mr. LENZNER. You did testify, I think, in the time period you are allowed to talk about you had talked to Mr. Rebozo and told him you wanted full disclosure?

Mr. GEMMILL. Absolutely, and I told Mr. Bartlett he was going to get it.

Mr. LENZNER. And that would have meant examination of any records that IRS—

Mr. GEMMILL. Anything that Mr. Bartlett wanted.

Mr. ARMSTRONG. If then Mr. Rebozo were to state that it was at your suggestion that records would not be offered to Mr. Bartlett, such as cashier's checks, that would be an incorrect representation?

Mr. BRODERICK. I think we ought to know exactly what Mr. Rebozo said, then we can reply to it.

Mr. ARMSTRONG. Mr. Rebozo said that—

Mr. BRODERICK. Is this a transcript or somebody's notes, so we can identify what it is?

Mr. ARMSTRONG. Do we have a problem with this?

Mr. LENZNER. They are notes of an interview, right?

Mr. GEMMILL. By whom?

Mr. ARMSTRONG. Contact between Mr. Rebozo and Mr. Bartlett.

Mr. BRODERICK. Notes by Mr. Bartlett?

Mr. ARMSTRONG. Yes.

Mr. BRODERICK. What was the date of it?

Mr. ARMSTRONG. August 17.

Mr. BRODERICK. 1973?

Mr. ARMSTRONG. Right.

Mr. BRODERICK. Go ahead.

Mr. ARMSTRONG. Mr. Bartlett asked Mr. Rebozo what decision he had made about letting the IRS agents see the cashier checks. He said that when he had finished all of the other work and cleared up all of the other questions he would probably turn them over to us, he had nothing to hide. He had been told not to turn them over. He said that it had been—he was asked if it was his attorney's advice not to turn them over and he answered, "Yes."

Mr. BRODERICK. Does he identify the attorney?

Mr. ARMSTRONG. No, sir. Well, my question is, would that have been your advice?

Mr. GEMMILL. No.

Mr. ARMSTRONG. Now, regarding September 26, I believe you had telephonic contact with Mr. Bartlett in order to arrange the meeting in New York on October 10, 1973. Do you recall that?

Mr. GEMMILL. There were telephone conversations. Whether it was on the 26th or not I don't know.

Mr. ARMSTRONG. Do you recall during the course of that conversation mentioning—discussing with Mr. Bartlett two transfers of \$225,000 in 1972 from the Precision Valve Corp. to Mr. Rebozo?

Mr. BRODERICK. I think there we get in the situation again, that was one of the specific things that Ms. DeOreo asked us to talk to Mr. Rebozo about, which we did, and he has refused to waive the privilege concerning that matter.

Mr. ARMSTRONG. As a result of—just subsequent to your meeting on October 10, 1973, in New York, do you recall calling Mr. Bartlett and informing him that Mr. Rebozo now recalled that he had told Miss Woods he had money in the safety deposit box?

Mr. GEMMILL. That is beyond what I can talk about.

Mr. ARMSTRONG. Well, was that not an outgrowth of the meeting in New York on October 10?

Mr. GEMMILL. No.

Mr. ARMSTRONG. Can I assume all questions about Miss Woods would also be—

Mr. GEMMILL. Yes, sir. I would love to tell you.

Mr. ARMSTRONG. I would love for you to.

Mr. GEMMILL. I wish I could.

Mr. LENZNER. Did anyone ever contact you on their own initiative and discuss with you Miss Woods' recollection of the events that did not come as part of your own investigation as representing—did an employee at the White House or some other individual or friend of Miss Woods call you and advise you of any information Miss Woods had?

Mr. GEMMILL. No.

Mr. ARMSTRONG. Did you have any contacts with Miss Woods yourself?

Mr. GEMMILL. No. You mean in connection with this?

Mr. ARMSTRONG. In connection with this.

Mr. GEMMILL. No.

Mr. ARMSTRONG. You have never discussed this matter with Miss Woods?

Mr. GEMMILL. No.

Mr. ARMSTRONG. Have you prepared or suggested the preparation of any letter by Miss Woods?

Mr. BRODERICK. I think that is within the scope of the privilege. You are just trying to get at something one way you won't get the other.

Mr. ARMSTRONG. A conversation with Mr. Buzhardt on that subject would also be within the scope of the privilege?

Mr. GEMMILL. Yes, sir.

Mr. ARMSTRONG. Off the record.

[Discussion off the record.]

Mr. ARMSTRONG. If Mr. Rebozo discussed the same subject, does that constitute such waiver?

Mr. GEMMILL. Not as far as I am concerned. It has to be explicit.

Mr. BRODERICK. That is an interesting question. But, I have my own views on it. I would like Mr. Frates' view on it, since he is Mr. Rebozo's lawyer.

Mr. ARMSTRONG. Why don't we read it in the record so you will have it?

Mr. BRODERICK. That is a good idea.

Mr. ARMSTRONG. The substance of the conversation as it relates to Mr. Gemmill, if we can locate it, and then you can go back and get a reading on that.

Mr. BRODERICK. That is right, that will be fine.

Mr. LENZNER. Again, I don't want to put you in the position—I think counsel stated exactly right—you are in a difficult position, and we don't want to put you in a position where any criticism can be raised about you, and I think you are going about it in the right way. So why don't we give you the information?

Mr. BRODERICK. Absolutely.

Mr. ARMSTRONG. Do you recall in your conversation with Mr. Bartlett on October 19, 1973, in addition to—I believe you told us already Mr. Bartlett informed you at that time that Mr. Rebozo had no problem.

Mr. GEMMILL. Had nothing to worry about.

Mr. ARMSTRONG. Did he also indicate to you that Mr. Cox, the Special Prosecutor, had requested and received disclosure from the IRS regarding that matter?

Mr. GEMMILL. What does he say? You have got Bartlett's memorandum.

Mr. ARMSTRONG. That is what Mr. Bartlett's notes reflect.

Mr. GEMMILL. He said what?

Mr. ARMSTRONG. That Mr. Bartlett said he informed you that the Office of the Special Prosecutor, Mr. Cox's office, had received disclosure from the Internal Revenue Service in regard to this matter of the Hughes \$100,000 contribution.

Mr. GEMMILL. I really don't remember. He may have. But I have no fixed recollection, no.

Mr. ARMSTRONG. Well, was it not in the context of telling you that as far as he was concerned—as far as the Internal Revenue Service was concerned, Mr. Rebozo didn't have anything to worry about?

Mr. GEMMILL. That is right.

Mr. ARMSTRONG. But that wasn't to speak to what Mr. Cox, who was the—

Mr. GEMMILL. I really don't remember. I know that I came to the independent conclusion, whether it was based, that the Internal Revenue Service would not give out their findings until all these other investigations were through. Now, whether he told me that or not, I can't say he did and can't say he didn't.

Mr. ARMSTRONG. Do you recall if in your conversation subsequently with Mr. Haig, if you told that to Mr. Haig?

Mr. GEMMILL. Well, I may have told him that it wouldn't be published, but my recollection of that is that was my independent conclusion, just from knowing the Internal Revenue Service that they weren't going to give out anything in writing as long as other investigations of the same matter were going on. But I don't remember specifically on that statement.

Mr. ARMSTRONG. On that statement—

Mr. GEMMILL. On what you say Mr. Bartlett has in his memorandum.

Mr. ARMSTRONG. Do you recall if you had requested from Mr. Bartlett the Internal Revenue Service issue some sort of written statement or report clearing Mr. Rebozo?

Mr. GEMMILL. Well, in our meeting in New York I asked the question as to whether they were going to issue no-change letters in connection with all of the entities at that time that they had examined and they said they would but they didn't say when. In other words, they examined the whole flock of them, everything Mr. Rebozo had any interest in, so I wanted to know, as they would treat any normal taxpayer, if they didn't find any changes, would they send out no-change letters. That was the only request I made about anything in writing.

Mr. ARMSTRONG. From a layman's point of view, what is a no-change letter?

Mr. GEMMILL. They have examined your return and find no changes. This is a standard routine Internal Revenue Service procedure. If they find changes they send you a 30-day letter unless you agree to them earlier and say what the proposed changes are. If they don't find any they send you a routine no-change letter.

Mr. ARMSTRONG. Do you recall then, if the context of your conversation with Mr. Bartlett on October 18 was that normally the Internal Revenue Service at this point would issue such a no-change letter?

Mr. GEMMILL. That is right.

Mr. ARMSTRONG. Since the Cox investigation had begun?

Mr. GEMMILL. No, since the Cox investigation, I didn't know about that, I was asking routinely about all of the entities that had been investigated as well as Mr. Rebozo, what procedure were they going to follow?

Mr. BRODERICK. That was October 10?

Mr. GEMMILL. Yes, at the meeting in New York.

Mr. ARMSTRONG. Do you recall that subject coming up again on October 18?

Mr. GEMMILL. No, I can't say it did and can't say it didn't.

Mr. ARMSTRONG. Do you recall asking Mr. Bartlett to call Mr. Buzhardt after his meeting with the Cox people?

Mr. GEMMILL. I don't remember the Cox people thing at all.

Mr. ARMSTRONG. Do you recall instructing or suggesting that Mr. Bartlett call Mr. Buzhardt for any purpose?

Mr. GEMMILL. For what purpose did he say, what does the memorandum say?

Mr. LENZNER. Find out whether Mr. Gemmill has any recollection. If he doesn't we can refresh his recollection.

Mr. GEMMILL. Refresh me.

Mr. ARMSTRONG. You say you don't have any recollection at all ever asking Mr. Bartlett to contact Mr. Buzhardt?

Mr. GEMMILL. No, I don't have any recollection. What does the memorandum say?

Mr. ARMSTRONG. I think the memorandum indicates there was some mention of Buzhardt, Mr. Buzhardt, and with regard to that communication that Mr. Bartlett had with you and his contact be made with Buzhardt.

Mr. BRODERICK. Is this on October 18?

Mr. ARMSTRONG. Yes. Did you talk with Mr. Rebozo on October 18 also? Do you recall?

Mr. GEMMILL. I would have to look at my telephone—I would have to check the telephone register to be sure. If that was the day that Bartlett told me he had nothing to worry about I assume I called him. Just in the normal course of events I would advise a client of that.

Mr. ARMSTRONG. Well, do you recall if you would have mentioned to him you had already talked to General Haig?

Mr. GEMMILL. No, I wouldn't have said that.

Mr. ARMSTRONG. Do you know—were aware that Mr. Rebozo was scheduled to meet with Mr. Webb and Mr. Bartlett that day?

Mr. GEMMILL. Well, Mr. Bartlett, wait, I think we are off course here.

Mr. BRODERICK. I guess if the question is simply were you aware that Mr. Rebozo was to meet with Mr. Bartlett or Mr. Webb on that day—

Mr. GEMMILL. The answer is, "Yes." I don't know whether it was that day. I know they were going to meet.

Mr. ARMSTRONG. The subject of their meeting was at least partially the return of the money, the questions about the receipt of the money, the return of the money.

Mr. BRODERICK. The meeting with those two gentlemen and Mr. Rebozo.

Mr. GEMMILL. Yes, sir, I wasn't there.

Mr. ARMSTRONG. Did you talk to Mr. Rebozo subsequent to that meeting and learn what had transpired at that meeting?

Mr. GEMMILL. What was the date of that?

Mr. ARMSTRONG. October 18.

Mr. GEMMILL. I don't think so. I knew they were going to meet.

Mr. ARMSTRONG. You don't recall talking with Mr. Rebozo subsequent to that? How long were you out of the country, for what period of time?

Mr. GEMMILL. Four or five weeks. Four weeks. Went to New Zealand and Australia.

Mr. ARMSTRONG. I remember we were trying during that period to reach you.

Mr. GEMMILL. Yes, sir.

Mr. ARMSTRONG. Do you recall discussing with Mr. Bartlett on November 26, 1973, the fact that the Special Prosecutor, that either Mr. Bartlett had been to visit, to see the people at the Special Prosecutor's office?

Mr. GEMMILL. November 26?

Mr. ARMSTRONG. Yes.

Mr. GEMMILL. I would have to check my records to see where I was and—

Mr. BRODERICK. Was that a phone conversation?

Mr. ARMSTRONG. There is a memorandum reflecting a phone conversation with Mr. Gemmill, between Mr. Gemmill and Mr. Bartlett. It reflects a call from Mr. Gemmill.

Mr. GEMMILL. November 26? We could look it up.

Mr. ARMSTRONG. What I am looking for is what your best recollection is of the role of the Special Prosecutor in terms of this ongoing Internal Revenue Service investigation and under what conditions it would be completed and a no-change letter issued.

Mr. GEMMILL. I don't think there was ever any discussion of that. It is really my assumption as long as any investigation was going on, the Internal Revenue Service was not going to issue a no-change letter.

Mr. ARMSTRONG. Did you communicate that to General Haig?

Mr. GEMMILL. Yes. I think I told him as long as something else was going on we wouldn't get any written communications from the Internal Revenue Service.

Mr. ARMSTRONG. And you would have communicated that to him on October 18?

Mr. GEMMILL. Yes.

Mr. ARMSTRONG. And did Mr. Haig indicate what, if anything, he might do with that information?

Mr. GEMMILL. No.

Mr. ARMSTRONG. Did you subsequently learn that Mr. Haig had called, General Haig had called Attorney General Richardson regarding the Cox investigation on that date?

Mr. GEMMILL. Called—

Mr. BRODERICK. You mean learn from whom?

Mr. GEMMILL. During that time, no.

Mr. ARMSTRONG. Did you learn from any source other than the media?

Mr. GEMMILL. When?

Mr. ARMSTRONG. That General Haig had called Attorney General Richardson.

Mr. GEMMILL. When?

Mr. ARMSTRONG. At any time subsequent to October 18, 1973?

Mr. GEMMILL. Yes; I learned it this morning.

Mr. ARMSTRONG. That was the first time you learned that?

Mr. GEMMILL. Yes, sir.

Mr. ARMSTRONG. Was that from a newspaper clipping or conversation?

Mr. GEMMILL. Conversation.

Mr. ARMSTRONG. Can you tell us with whom that was?

Mr. GEMMILL. Mr. Rose.

Mr. ARMSTRONG. Can you tell us, did Mr. Rose indicate the source of his knowledge?

Mr. GEMMILL. I assume it was General Haig.

Mr. ARMSTRONG. Can you tell us what he said, what Mr. Rose said?

Mr. GEMMILL. He said that Haig had testified that he had at one point called Attorney General Richardson, but that otherwise he had never done anything about the matter. You have got his testimony. Whatever he said, he said.

Mr. ARMSTRONG. Did he discuss anything other than General Haig's testimony?

Mr. GEMMILL. No.

Mr. ARMSTRONG. He didn't discuss what General Haig did independent of what he testified?

Mr. GEMMILL. No.

Mr. ARMSTRONG. Was there any further discussion on that subject with Mr. Rose?

Mr. GEMMILL. No; that is it.

Mr. LENZNER. How did this conversation with Mr. Rose come about, Mr. Gemmill?

Mr. GEMMILL. Well, he and I were chatting. He called Sunday night, Monday night, I guess, when I got home and said that the papers had said that General Haig had testified to this and that and whatever was in the newspapers and I said, "Well, is there anything else he testified to?" and we had a conversation about it this morning and that is what he told me.

Mr. LENZNER. Where was your conversation this morning?

Mr. GEMMILL. I was in Philadelphia.

Mr. LENZNER. You had a telephonic conversation?

Mr. GEMMILL. Yes. I think he was in Washington.

Mr. LENZNER. And did he indicate to you that he had talked with General Haig about his testimony and relaying what General Haig said he testified to?

Mr. GEMMILL. Yes.

Mr. LENZNER. And was there discussion about your coming up here to be interviewed today, with Mr. Rose on Sunday or today?

Mr. GEMMILL. I just told him I was coming.

Mr. LENZNER. Had you required or inquired of anybody at the White House as to what areas or subject matter might arise during this interview?

Mr. GEMMILL. No. This interview today, no, sir.

Mr. LENZNER. Have you had discussions with anybody else besides Mr. Rose except, of course, counsel, any employees or counsel to the President, besides Mr. Rose, with regard to your interview today?

Mr. GEMMILL. Yes; I discussed with Mr. Buzhardt the two conversations I had with the President and said if asked about that, I would testify to them.

Mr. LENZNER. When did you talk to Mr. Buzhardt about that?

Mr. GEMMILL. Must have been yesterday. I have only been back—

Mr. BRODERICK. It was yesterday.

Mr. LENZNER. That was a telephonic communication?

Mr. GEMMILL. Yes, sir.

Mr. LENZNER. He saw no problem with that?

Mr. GEMMILL. Right.

Mr. LENZNER. Anybody else?

Mr. GEMMILL. No. He said go ahead.

Mr. LENZNER. Anybody else you were in contact with over there besides Mr. Buzhardt?

Mr. GEMMILL. No.

Mr. ARMSTRONG. Was there any other substance to the conversation you had with Mr. Buzhardt other than those two conversations you had with the President?

Mr. GEMMILL. No.

Mr. LENZNER. What role does Mr. Rose play with regard to this investigation, to your knowledge, if any?

Mr. GEMMILL. This investigation, I don't think he has any. As far as I know, he has none.

Mr. ARMSTRONG. Well, I want to make sure I understand what we have in the record. The first you learned that General Haig had called Attorney General Richardson was this morning?

Mr. GEMMILL. Yes.

Mr. ARMSTRONG. And did you give Mr. Rose any particular reaction? In view of your statement, I gather that you said previously today you cautioned General Haig once before that one of the conditions of your representing Mr. Rebozo was that no one goes over the head of the Internal Revenue Service agents?

Mr. GEMMILL. Yes, sir.

Mr. ARMSTRONG. Did you indicate to Mr. Rose, in the context of that being your feeling, what your reaction was?

Mr. GEMMILL. No; I just heard it, I just listened to it and that was it.

Mr. LENZNER. You were not aware that Attorney General, former Attorney General Richardson, had testified before the Judiciary Committee, after his resignation, that he had received such a phone call from General Haig?

Mr. GEMMILL. No.

Mr. ARMSTRONG. And did you discuss with Mr. Rose or anyone else, since your return, the fact that General Haig testified that on October 18 he received a call from you informing him that the Cox—the Special Prosecutor's Office had received disclosure from the Internal Revenue Service?

Mr. GEMMILL. No.

Mr. ARMSTRONG. So the first time that question has come up was here today?

Mr. GEMMILL. Which question?

Mr. ARMSTRONG. The question of whether or not—

Mr. GEMMILL. The Attorney General Richardson—

Mr. ARMSTRONG (continuing). Whether or not you had any discussion with General Haig regarding Cox's disclosure from the IRS on October 18.

Mr. BRODERICK. Obviously, it came up in your testimony, your interview with General Haig, I assume.

Mr. ARMSTRONG. This is the first time the question has been raised with Mr. Gemmill?

Mr. BRODERICK. That wouldn't be right. I raised all kinds of questions with Mr. Gemmill.

Mr. ARMSTRONG. Aside from having been raised by counsel?

Mr. GEMMILL. I am puzzled now as to what we are trying to get at. I will be glad to tell you. What do you want to know?

Mr. ARMSTRONG. My question is: Did anyone discuss with you or ask you whether or not you had talked with General Haig about the Special Prosecutor's Office receiving disclosure when you talked with him on October 18, 1973, other than your counsel?

Mr. GEMMILL. I don't remember that at all. I don't remember Bartlett, I have no recollection of what the Bartlett memorandum says and, therefore, I don't have any recollection of any conversation about that.

Mr. ARMSTRONG. Do you recall a conversation on January 4, 1974, with Mr. Bartlett regarding Resorts International?

Mr. GEMMILL. I think that is out of bounds.

Mr. BRODERICK. I think that is outside of the scope of the waiver.

Mr. ARMSTRONG. Do you recall on April 9, 1974, talking with Mr. Bartlett about the fact that Mr. Rebozo had in fact talked with Mr. Kalmbach about the Hughes contribution?

Mr. GEMMILL. That is out.

Mr. LENZNER. Have you discussed the alleged conversation between Mr. Kalmbach and Mr. Rebozo in April 1973, between General Haig and Mr. Buzhardt and other employees of the White House?

Mr. BRODERICK. You said alleged conversation?

Mr. LENZNER. The conversation that the news media said allegedly took place.

Mr. BRODERICK. Have you discussed it first with Mr. Rebozo?

Mr. ARMSTRONG. General Haig or Mr. Buzhardt or Mr. Garment or other employees or with the President?

Mr. GEMMILL. Well, it came out just before I went away, and so if it occurred in the last 2 days there has been no such conversation.

Mr. ARMSTRONG. I gather any questions relating to Mr. Abplanalp or the Precision Valve Corp. are beyond the waiver?

Mr. BRODERICK. That is right.

Mr. ARMSTRONG. And would that also hold true with regard to questions about loans from President Nixon to Mr. Rebozo, \$10,000 in December 1972, and \$65,000 in March 1973?

Mr. BRODERICK. That is right.

Mr. ARMSTRONG. Was any discussion of those loans—any discussion of those loans during the period for which there is a waiver, with Mr. Rebozo?

Mr. GEMMILL. No.

Mr. ARMSTRONG. Or with the President during that same period?

Mr. GEMMILL. That is a different client.

Mr. ARMSTRONG. Was there any discussion with the President during that period as to his financial relationships with Mr. Rebozo in the context of this Hughes contribution?

Mr. GEMMILL. That is another client and I can't talk about that.

Mr. ARMSTRONG. Well, you are not representing the President. Are you representing the President regarding the \$100,000 contribution of Mr. Hughes that Mr. Rebozo received?

Mr. BRODERICK. Specifically, just limited specifically to that?

Mr. ARMSTRONG. Does that include within the areas—

Mr. GEMMILL. I represent the President on a variety of matters.

Mr. ARMSTRONG. Is one of those areas the Hughes contribution of \$100,000?

Mr. BRODERICK. I think that, as I understand Mr. Gemmill's representation of the President, is to advise him on tax matters or to review what has been done in the past by other people concerning his tax matters.

Mr. GEMMILL. If this involved a tax matter it would be within.

Mr. BRODERICK. If it did.

Mr. GEMMILL. If it had tax consequences it could come within it.

Mr. ARMSTRONG. So you are representing the President on that matter insofar as it involves tax consequences?

Mr. GEMMILL. Anything that would so involve tax consequence.

Mr. ARMSTRONG. If you have any reason to believe there are any tax consequences for the President in the Hughes contribution, you are not representing him in that area, then we could talk about the area?

Mr. GEMMILL. We don't know what all the facts are.

Mr. ARMSTRONG. I am sure I don't know what all the facts are. I am just trying to make sure it is clear in the record that you are representing the President in that area.

Mr. BRODERICK. He is representing the President. Let me make one statement, let's say he is representing the President with respect to tax matters. I don't want anybody to leave this room and to read in the Washington Post Mr. Gemmill is representing the President concerning the \$100,000 contribution by Mr. Hughes to Mr. Rebozo. I want it absolutely clear what Mr. Gemmill is representing the President for.

Mr. ARMSTRONG. I am trying to make it clear. Between January 8, 1973, excuse me, June 8, 1973 and June 27, 1973, did you have any discussions with the President relating to the Hughes contribution of \$100,000?

Mr. GEMMILL. No.

Mr. BRODERICK. Off the record.

[Discussion off the record.]

Mr. ARMSTRONG. Mr. Rebozo's and the President's business relationships in the form of B & C Investment Co. are also outside the waiver?

Mr. GEMMILL. Yes, sir.

Mr. ARMSTRONG. Any moneys paid on the President's behalf by Mr. Rebozo would also be?

Mr. GEMMILL. Yes, sir.

Mr. ARMSTRONG. Can you tell us, has anyone other than Mr. Rebozo been paying your legal fees in regard to your representation of him and the Hughes \$100,000 contribution?

Mr. GEMMILL. No, sir.*

Mr. ARMSTRONG. Is anyone other than the President paying the legal fees in representation of the President?

Mr. GEMMILL. We are not charging him.

*As per letter of June 21, 1974, from Matthew J. Broderick to Terry Lenzner, it was requested that the following be added to Mr. Gemmill's testimony at this part of the record: "Our statement for professional services was sent directly to Mr. Rebozo. A check from the Key Biscayne Bank was received in payment of our statement to Mr. Rebozo. I talked to Mr. Rebozo about this and he advised that the bank paid the legal fee with the understanding that he and the bank would work out exactly how much of our fee should be paid by each after determining what portion of our fee, if any, was properly chargeable to the bank."

Mr. ARMSTRONG. OK. So you are receiving no compensation from any source for your work on behalf of the President?

Mr. GEMMILL. No.

Mr. LENZNER. Did you at one time see a copy of Mr. Rebozo's interview of May 10 with the IRS, I believe it was?

Mr. GEMMILL. The May 10th. You mean the——

Mr. LENZNER. Yes, the initial interview with the IRS.

Mr. GEMMILL. Yes, sir. Did I ever see it, yes.

Mr. LENZNER. Were you shown that at your request?

Mr. GEMMILL. Yes, sir.

Mr. LENZNER. Were there any other documents that you were shown by the IRS of their own work product?

Mr. GEMMILL. No.

Mr. LENZNER. And I take it that you made notes of that interview?

Mr. GEMMILL. That is right.

Mr. LENZNER. Did you discuss the notes of that interview with General Haig or Mr. Buzhardt or Mr. Garment?

Mr. GEMMILL. No. No recollection of that at all. I just made them and stuck them in the file. That is my recollection on that.

Mr. LENZNER. Also, I think you testified also, that you had had a discussion with Mr. Bartlett with regard to the Federal Reserve Board records that might reflect——

Mr. GEMMILL. That is right.

Mr. LENZNER. Did you ever learn from Mr. Bartlett the results?

Mr. GEMMILL. No, I am still looking for them.

Mr. LENZNER. And you do not know the results of the efforts by IRS to determine the dates of those bills?

Mr. GEMMILL. No, I am still looking for the results.

Mr. ARMSTRONG. Did you have any conversation with Mr. Register other than those that you have described today regarding the Hughes \$100,000 contribution?

Mr. GEMMILL. Any other with Mr. Register?

Mr. ARMSTRONG. Yes.

Mr. GEMMILL. I can't think of any. Do you have any notes of it?

Mr. ARMSTRONG. No, sir. Did you ever discuss with Mr. Register the fact that the Cox people had disclosure or anything related to any of——

Mr. GEMMILL. With Register, no.

Mr. ARMSTRONG. Did you ever discuss with anyone, other than Mr. Bartlett, the fact that the Special Prosecutor's office had had a disclosure from the Internal Revenue Service?

Mr. GEMMILL. Did I discuss with Bartlett what?

Mr. ARMSTRONG. Anyone other than Bartlett.

Mr. BRODERICK. In the IRS?

Mr. ARMSTRONG. Other than General Haig on the one occasion on October 18, did you discuss with anyone else?

Mr. GEMMILL. I am not sure I discussed it with Bartlett. That is what puzzles me. I said I don't have any recollection of whether——

Mr. ARMSTRONG. Do you have any recollection of discussing with anyone, other than your client, or his attorneys, the fact that the Special Prosecutor's office had taken over a matter over there concerning——

Mr. GEMMILL. My recollection is I had come to the conclusion independently, all by myself, nothing would be issued from the Internal Revenue Service as long as any investigation was going on and I have no recollection, maybe I should, but I don't, of any specific Special Prosecutor business.

Mr. ARMSTRONG. You don't recall then, anyone giving you any information about the fact that Mr. Cox or the Special Prosecutor's office was now interested in the Hughes \$100,000 contribution?

Mr. GEMMILL. No, other than if I read it in the papers. I have no recollection of any conversation.

Mr. LENZNER. I have one last question and one request. Have you ever discussed with the President whether the proceeds of the campaign contributions received by Mr. Rebozo went into any loans the President had with Mr. Rebozo?

Mr. BRODERICK. You mean the \$100,000?

Mr. GEMMILL. I can't answer that. I need a waiver from the President to answer that. We will put that on the list.

Mr. LENZNER. And let me ask you one other thing on the list. As you know, we have requested sometime ago the worksheets of the Cooper's and Lybrand's review and we would like to make that request. I think we have a subpoena outstanding for it which we have not pressed, but I would like to again, and I understand those documents are in your possession and your firm's possession and I would like to make a request.

Mr. GEMMILL. To straighten out the ownership of them, they are owned by Mr. Rose and me individually.

Mr. LENZNER. The worksheets?

Mr. GEMMILL. Yes, sir.

Mr. LENZNER. Do you have any objection to producing those for us?

Mr. GEMMILL. I will consult Mr. Rose.

Mr. LENZNER. So they are your papers and Mr. Rose's papers?

Mr. GEMMILL. They are our personal papers owned personally by us.

Mr. LENZNER. We would appreciate it if you could get back to us on that, Mr. Gemmill. Now, the only other item we discussed—Mr. Rebozo has been given a copy of this transcript, so instead of your wasting your time, to get away to get a train, let me give the citation. Page 394 of the March 21, 1974, executive session with Mr. Rebozo.

Mr. BRODERICK. Page 394?

Mr. LENZNER. Yes, since they have it, they have a copy of it.

Mr. BRODERICK. If we can get it from Mr. Frates.

Mr. ARMSTRONG. Regarding those areas where we did not go into the President's financial relationship with Mr. Rebozo, we would appreciate it if you could check with the President and see if we could discuss at some later point that portion of your knowledge which came from your representation of the President as opposed to Mr. Rebozo.

Mr. GEMMILL. Exactly.

Mr. ARMSTRONG. Thank you, sir.

Mr. LENZNER. Thank you, sir.

[Whereupon, at 5:35 p.m., the committee was adjourned, subject to call of the Chair.]

THURSDAY, JUNE 6, 1974

U.S. SENATE,
SELECT COMMITTEE ON
PRESIDENTIAL CAMPAIGN ACTIVITIES,
Washington, D.C.

The Select Committee met, pursuant to notice, at 3:45 p.m., in room S-143, the Capitol, Senator Sam J. Ervin, Jr., chairman.

Present: Senators Ervin and Montoya.

Also present: Terry Lenzner, assistant chief counsel; Marc Lackritz, assistant majority counsel; Scott Armstrong and Mary DeOreo, investigators; Richard Schultz, assistant minority counsel.

Mr. LACKRITZ. This is a continuation of an executive session that began at 3:15 this afternoon,* this being presided over by Senator Ervin, and the information elicited earlier during this session will be incorporated into the stenographic transcript of this session, entered, as reviewed by Mr. Barth and his counsel.

So I think the record should note that Mr. Barth has been sworn in by Senator Ervin and has been under oath during the entire time of this executive session.

Now, Mr. Barth, I would like you to go back a little bit on this and for the record, state your recollection about when the O'Brien matter first arose and what you did once you received the information.

**TESTIMONY OF ROGER VINCENT BARTH, ACCOMPANIED BY
KENNETH SCHROEDER, COUNSEL**

Mr. BARTH. OK. It arose in a sensitive case report entitled either the "Hughes Project" or the "Hughes Tool Co. Project." I believe it first came to my attention somewhere between March and May or June of 1972. The reference to Mr. O'Brien contained in the sensitive case report was merely a sentence or two indicating that the agents had determined that Mr. O'Brien or his consulting firm had received somewhere around \$300,000 over a period of a few years, and to the best of my recollection, it was not clear from that particular sensitive case report whether the money was for a political contribution by Hughes Tool Co. or whether it was for public relations services.

In that sensitive case report were references to possible improprieties by Mr. Rebozo, and I believe it was the President's brother Donald, that there may have also been a reference in there to the President's brother Edward as well as references to some dealings between Mr. John Meier and Senators Humphrey and, I think, Church.

*An affidavit regarding the earlier part of this hearing appears on p. 11275.

Mr. LACKRITZ. Do you recall the date that the sensitive case report came to your attention? You say it was early 1972?

Mr. BARTH. Early 1972, and my best guess would be around May of 1972.

Now, when I received this report, I, of course, went through the normal procedure of taking it to Secretary Shultz, and either he or I transmitted a copy of the sensitive case report of the Hughes project to John Ehrlichman at the White House because of the fact that there were allegations or representations in the report of possible wrongdoing by Mr. Rebozo and Mr. Nixon, the President's brother or brothers.

Sometime thereafter, not very long thereafter, I was either called on the phone or went over—I can't remember which—to Mr. Ehrlichman's office, and I think I went over there, as a matter of fact. I am just not positive. And he asked that he be kept advised of the development of this Hughes project as it related to Mr. Rebozo and the Nixon brother or brothers. And in the conversation about that, he raised the question of whether, you know, what would be the tax treatment or implication of the payments to Lawrence O'Brien. If this were a political contribution by the Hughes Tool Co., it could conceivably be a violation of the Corrupt Practices Act, and if it were deducted by the corporation, it could be a violation of the tax laws. On the other hand, if it were compensation for consulting services to Mr. O'Brien or his firm, then he raised the question of would this be reported by Mr. O'Brien.

I thought that this was a reasonable question that he asked, and I told him I would check it out, but I did not want to make any contact with our field personnel through normal channels because I did not want to give the impression I was on behalf of the Commission or was trying to instigate any audit of Mr. O'Brien. So what I did was go to the Assistant Commissioner of Inspection, I believe, or one of his Division Directors, I have forgotten which.

Mr. LACKRITZ. Who was this assistant?

Mr. BARTH. Vernon Acree at the time, or maybe Frank Geibel had become. I am not sure. Now, I think Acree had left. I think it might have been Geibel. I'm not positive on the date.

Mr. LACKRITZ. Frank Geibel?

Mr. BARTH. Or it would have been Geibel then, or if he wasn't there, one of the Division Directors. In any event, I asked for Lawrence O'Brien's tax returns and asked that they get them in a way that the agents working on the case in the field wouldn't know that I had requested them. And they did this, and what I did, I just looked at the tax returns of Mr. O'Brien and his consulting firm and made sure that there was enough gross income reported for those years, the 2 years involved, to cover the \$300,000 and whatever it was. In other words, say it was that they only reported \$150,000 gross, then I would have been obliged to refer it to a normal course of investigation.

The amount reported was in excess of that, but there was, of course, no identification as to where this money came from. It might have been from other consulting firms, but I felt that it should not be pursued further, and I so advised Mr. Ehrlichman that I had checked it, that there appeared to be enough gross income to cover this amount, and he said, "Fine, thank you very much."

And that was the extent, to the best of my recollection, of activities at that point.

Now, shall I continue? The following summer, I believe it was, maybe August or September—

Senator ERVIN. I'm going to have to cut this troop strength.

Mr. LACKRITZ. Would you like to take a recess now?

Senator ERVIN. I could. I have to go and vote.

Do you all have anybody else?

Mr. LACKRITZ. I believe at 4 o'clock we will have another Senator.

Senator ERVIN. I had better go and vote.

[Recess.]

Mr. LACKRITZ. If you could continue with your narrative, I would like to get through your narration of those events, and then we can go back.

Mr. BARTH. OK, fine. The next thing I recall about the Lawrence O'Brien matter was that sometime in, I believe, August or September of 1972, at Commissioner Walters' request, I went with him to see Secretary Shultz, and in Secretary Shultz's office, Mr. Walters presented to the Secretary some type of an audit report, and I can sort of visualize it. I think it might have been four, six, or eight pages. But I just have an impression of a document about that long. He presented it to the Secretary and said that this was a report on Lawrence O'Brien.

The Secretary went over it, and the Commissioner had shown this to me before, and I had for some time thought that he showed it to me in the car going over. But as these investigations had been undertaken, I talked to Joseph McGowan, who was the Deputy Assistant Commissioner for Compliance, to see what he recalled about my involvement in the Lawrence O'Brien matter at that time, and he said that—I also talked with John Hanlon, his boss, the Assistant Commissioner of Compliance, and McGowan said that the first recollection he had of my involvement in the matter was that when he had this report prepared or however it was prepared, he had it, and he went up to Commissioner Walters' office with the report, and he said I was called in. He said that he didn't know why I was called in. And he said I did not seem to know why I was called in. And he said at the meeting this was presented to me and to the Commissioner, but I have no independent recollection of that meeting. It just didn't mean anything to me at that time, but it would have been either the same day or maybe a day before the visit up to Secretary Shultz's office.

Now, in Secretary Shultz's office, the Secretary asked whether I had read the report, and I said, "Yes, I read it recently. I have just been given it." And he said, "Well, does it seem like it is thorough" or something like that, or some comment as to whether I thought it was a thorough job. And my recollection is that I answered in the affirmative.

Then after a few minutes he got John Ehrlichman on the telephone, and Commissioner Walters was on one extension, the Secretary was on another, and then I was on a third extension, and the Secretary and the Commissioner reported to Mr. Ehrlichman that they had this report on an audit of Lawrence O'Brien and that it all seemed in order, and it seemed like—my recollection is it was fair and all in

good order. And I think my only participation in the conversation was pretty much limited to Mr. Ehrlichman saying, "Well, Roger, have you read this? Do you recall? Do you think that everything appropriate has been done on this audit?" and I said "Well, just from this cold piece of paper, it would look like it is an appropriate audit and not anything worth pursuing any further."

Senator MONTÓYA [presiding]. What was Ehrlichman's reaction when you said that?

Mr. BARTH. He seemed to accept my word for it. The only reaction I had was that he seemed annoyed that it had taken so long for this report to be prepared, whatever it was, but as far as I was concerned, I know I knew nothing about timing or anything about the origin of this or anything else. So his conversation to me was limited to had I read the report and did I feel that it was thoroughly done, documented, legally signed, and so on.

Senator MONTÓYA. Why did he ask you that instead of the others?

Mr. BARTH. They had already made their points. Of course, the Secretary is not a tax lawyer, and the Commissioner is, but I was on the line, and I do not know why I was there to begin with. I don't know at whose request it was, whether it was Ehrlichman's, the Secretary's or the Commissioner's.

Senator MONTÓYA. Had you been in touch with Mr. Ehrlichman about this before?

Mr. BARTH. Not about this audit, sir, but as I indicated prior to your arrival, I had had occasion to have the O'Brien matter raised earlier in a sensitive case report, and I discussed it with Ehrlichman, and it came up tangentially in a case report on the Hughes Tool project, and there were references of possible improprieties by Mr. Rebozo and by the brother or brothers of the President, and for this reason, that report went to the Secretary, and either he or I got a copy of that to Mr. Ehrlichman. That was a few months before. And I got O'Brien's tax returns without going through direct channels so that I could just look and make sure that there was enough gross income reported on there to verify that payments from Hughes Tools would have been proper, would have been includable in the gross amount of Mr. O'Brien's firm, and then I told Mr. Ehrlichman at that time—and this was maybe May of 1972—that I thought it should not be pursued any further, but I was very careful not to contact the field to give them any impression that I was trying to start any audit or anything like that, and Mr. Ehrlichman concurred and said: "Fine, I accept your judgment. Let's just drop it."

So then this other part was later, in August or September, when the second phase came up, where I was called up there and was just asked my opinion of this document.

Now, after that telephone conversation, Commissioner Walters and I went back to IRS. Then, either later that day or the next day, Mr. Ehrlichman called me and said: "I just wanted to check and make sure that you meant what you said with the Secretary and the Commissioner present there, that this was an appropriately conducted audit, and that you believe that it was correct," and so on, and I said: "Yes, I do," and he said: "OK, I appreciate your judgment on the matter." That was the end of the conversation.

And that was the last I heard about anything to do with Lawrence O'Brien until the spring of 1973, spring of last year, and I would guess it would be around May of 1973, because I believe—yes, I am sure it was after Commissioner Alexander had been sworn in. I think that was around May of 1973, and I was in the Commissioner's office, and he showed me a letter, as I recall, that he had received from—I think that's how it came up. I think he showed me a letter that he had received from Lawrence O'Brien complaining that he was being audited again, and saying that he felt that he was being harassed, and Commissioner Alexander said: "If he had been audited before he shouldn't be audited again unless there was some new information." So he was unhappy about receiving this letter, and he said that he was going to have the compliance people look into it.

Then, maybe in a matter of days, he showed me a response that he had prepared to Mr. O'Brien, apologizing for that later audit, and he explained to me that the reason that there was another audit was because Mr. O'Brien was apparently a partner or an investor in some brokerage firm that went bankrupt, I think, Lor Florence or something like that, and there was an investigation as to whether that deduction was proper. And they were going after all the investors. It was a large project, and he was one of those, and the agents in New York went to his return, again, to check that deduction.

And the Commissioner told them that they should not, because you should not audit a person twice unless there is substantial evidence of something that was overlooked before, and that he did not feel it should be reopened. So he wrote a letter in effect of apology to Mr. O'Brien is my recollection. But that was how that second audit was undertaken.

Mr. LACKRITZ. Can we go back to the initial meeting that you had with Mr. Ehrlichman back in the spring of 1972?

Mr. BARTH. Yes. I am pretty sure it was a meeting, but it may have been over the phone. My impression was that it was a meeting in his office.

Mr. LACKRITZ. Did Mr. Ehrlichman ask you to specifically check out Mr. O'Brien's tax returns to see if it was possible that Mr. O'Brien did not report all the income that had been listed on the sensitive case report?

Mr. BARTH. I do not honestly recall the exact language, but he raised the question with me. He said: "Would it not—well, how should this be treated? Wouldn't it be one or the other? Either it's a political contribution, then it's a violation of the Corrupt Practices Act, it should not be deducted, but if it is income it should be reported," as I mentioned it was only two sentences out of maybe a page and a half or so report that mainly dealt with Rebozo and Donald Nixon or whoever. I don't remember the exact language, but I told him—whether I volunteered or whether he told me, I said: "I will look into it and at least see if he and his firm reported enough gross income, but I will not contact the field."

And I am pretty sure that I told him at the time that I would make no contact with the field at the time because I didn't think that would be appropriate. He concurred in that. I told him I would try to get the returns and look at them just personally.

Mr. LACKRITZ. You mean you don't recall if he requested you to do that?

Mr. BARTH. No. This is a conversation a couple of years ago, and I really don't know whether he specifically said: "Check this out" or whether I said: "This seems like a question that ought to be looked into because there might be some wrongdoing here."

Mr. LACKRITZ. You mean you might have suggested it to him and he might have said: "Go ahead, Roger, and do it"?

Mr. BARTH. Yes, exactly.

Mr. LACKRITZ. But apparently he did approve you going to check out the tax returns.

Mr. BARTH. Oh, yes, and I told him I would let him know what the results of it were.

Senator MONTROYA. Let me ask you this. Did you say that it was a meeting with Mr. Ehrlichman? Then you must remember that he called you for some purpose. Was this the purpose?

Mr. BARTH. No, sir. The purpose was to get whatever details I had on the status of the Hughes project, and that was my understanding of the meeting, and my recollection is that O'Brien then came up only tangentially, that his primary concern was with whether there was serious involvement by Mr. Rebozo in some wrongdoing. I do not know if you have seen that sensitive case report or not, but there were implications in there, if I recall, of wrongdoings on his part as well as Donald Nixon, and this was the primary area of Mr. Ehrlichman's concern.

Senator MONTROYA. How did O'Brien's name get into that conversation?

Mr. BARTH. Well, I think he was reading through. It was in the same report and there were a couple of sentences in there, and my recollection is that it was not clear from the few sentences that were in there as to what the money was for, other than there had been money paid to him, and that I may have speculated, well, maybe it was consulting fees or maybe it was political contributions. I do not know what it was, but the intention of the meeting was directed toward the reason why we originally sent it over, which was Mr. Rebozo and Mr. Nixon.

Mr. LACKRITZ. At that time did Mr. Ehrlichman imply that if, in fact, Mr. O'Brien had not reported the income that was contained in the sensitive case report on his tax return, that an investigation should then be initiated in the IRS?

Mr. BARTH. I do not recall, Marc, whether he specifically said it or not, but I think the implication would have been clear that if it had not been reported, that it certainly should then be called to the attention of the agents working on the case. But he agreed with me that prior to the time of knowing whether there was any likelihood that it was omitted, that it would not be good to contact the agents because they would get the impression that we were trying to lean on them to go in that direction.

Mr. LACKRITZ. I understand that, except that earlier you said that after you looked at Mr. O'Brien's tax returns, you saw that there was no reason to pursue the matter further.

Mr. BARTH. Well, I—

Mr. LACKRITZ. Which to me implied that if this information had not been there then, the investigation would have been pursued further.

Mr. BARTH. That is why I said if there had not been—if for example, his firm had only reported \$150,000 gross income and we had the agents' report saying that they got \$300,000, then that is why I made the point that then there would have been an obligation to refer to the people working on the project for their appropriate handling, but until that point, I did not want to interject myself into any tax case.

Mr. LACKRITZ. Well, was this the normal procedure, for you to check on individual tax returns mentioned in sensitive case reports?

Mr. BARTH. No, normally. As far as Mr. Ehrlichman would be concerned, he would be interested in knowing, for example, just on a continuing basis if there was a particular case of concern, for example, with the President's osteopath, Dr. Ryland, he would just want to know on a continuing basis. This was unusual in that I got the returns.

Mr. LACKRITZ. Was this the first time you got the returns?

Mr. BARTH. I think it was probably the first and to my recollection, probably the only time that I got individual returns, and that is why I wanted to make sure that the way that I did it was a way that would not give an impression that I was trying to instigate an audit of Mr. O'Brien, because it is not usual for the Assistant to the Commissioner, or at least for me as Assistant to the Commissioner. There were some things earlier, but it wasn't normal practice for me to go poking around in specific sensitive case reports into the substance of the thing, or getting tax returns and doing any checking on it.

I would inquire as to the status of them periodically, yes, but not go get tax returns and go through this type of check. But it was in unusual circumstances where there might have been a question, if it was not treated in the right way, that there was a violation of the law, either by the corporation or by Mr. O'Brien. But I felt that it should be handled in a way where the field did not know that I was even thinking of the question.

Mr. LACKRITZ. Well, were you concerned about the disclosure regulations in terms of obtaining tax information that you would then pass on to Mr. Ehrlichman?

Mr. BARTH. Oh, no, there was no question about Mr. Ehrlichman, being entitled to tax information. That didn't concern me. It's only that I didn't want to be in the posture of calling down to our compliance people and saying, pull Lawrence O'Brien's tax returns. See if he reported income that I see reflected here in the sensitive case report.

Mr. LACKRITZ. You felt that you should do that on a discreet basis?

Mr. BARTH. Yes. I thought they would get the impression that I was trying to steer them in a particular direction, and I didn't want to do that.

Mr. LACKRITZ. Well, you said that there is no question that Mr. Ehrlichman was entitled to that information. How many other individuals within the White House would be entitled to tax information such as Mr. O'Brien's tax returns on a regular basis?

Mr. BARTH. Whether on a regular basis or on a shot basis, it would be the same under the law, and there are really no good guidelines for that. And in 1969 when Clark Mollenhoff was Special Counsel to the President, he requested some tax returns, and this raised the question to then-Commissioner Thrower and me, what do we do about this, and

we checked and found the precedents going back to Commissioner Caplin, the 1962 memo from—1961 memo from Mr. Caplin relating to access of White House staff personnel to tax returns, and he thought it was very clear that they had the authority to get the tax information and he referred to Carmine Bellino, who came over and looked at a number of tax returns and so on. I am sure you are probably familiar with that background.

Well, this is the premise on which we proceeded, that there was the authority there. But Commissioner Thrower and I wanted to establish a procedure so that if years later somebody raised any question we would be able to point to with those tax returns that had gone over to the White House. So we established a procedure with Mr. Mollenhoff, whenever he asked for returns, I think there were maybe 9 or 10, he would do so in writing and with the indication that he was doing it on behalf of the President. And IRS has copies of those requests, and I believe that Mr. Mollenhoff was the only one who got the tax returns.

Mr. LACKRITZ. Did you ask Mr. Ehrlichman for some more written requests?

Mr. BARTH. No, he never saw those tax returns.

Mr. LACKRITZ. I see, but you did explain to him that the tax returns indicated no problem.

Mr. BARTH. Oh, sure, right. But he did not get the tax returns, no. That I did myself.

Mr. LENZNER. Did you retain copies of the returns?

Mr. BARTH. I think I just shredded them because they came from Inspection and they had come from the Service Center, and they had no further need for them. So I am pretty sure I just shredded them. But they at no time went over to the White House.

Mr. LENZNER. Did you furnish anybody else with copies of them?

Mr. BARTH. No, sir.

Mr. LENZNER. Did you retain, after you left IRS, any documents relating to the Lawrence O'Brien matter?

Mr. BARTH. I am quite sure I have nothing related to that.

Mr. LENZNER. No notes, no documents?

Mr. BARTH. No, I'm pretty sure I do not.

Mr. LENZNER. When you went with Mr. Ehrlichman in the spring of 1972, did you have any other information with regard to Mr. O'Brien other than the information you furnished him?

Mr. BARTH. Nothing other than the two sentences in the sensitive case report on the Hughes project.

Mr. LENZNER. So he did not mention any other information that he had regarding Mr. O'Brien?

Mr. BARTH. No, not to the best of my recollection was any other information referred to.

Mr. LENZNER. What was his interest in Mr. O'Brien?

Mr. BARTH. Well, he was a prominent figure. He did not say what his interest was that I recall. I mean, we were just going through and there were a lot of names mentioned, and it struck him as unusual. He raised the question, would this be a political contribution or what would this be.

Mr. LENZNER. Well, you are talking about Mr. Rebozo, the close friend of the President and the President's brothers, and I can under-

stand his concern about that, but what was his concern or interest in Mr. O'Brien as he expressed it to you?

Mr. BARTH. He just raised the question, to the best of my recollection—at that meeting or conversation he just raised the question, this money to O'Brien, what were the tax implications of that, and then we got into a discussion of whether it violated the Corrupt Practices Act, would it be appropriately reported, and so on.

Mr. LENZNER. Did he indicate any concern as to whether the IRS would prosecute that case effectively or fully?

Mr. BARTH. No. I do not think to the best of my recollection. We really did not get that far in the conversation because I said, well, I'd check this out myself and just see if he's got enough gross income, because if he did not have enough gross income, then it should be handled routinely by the people working on the Hughes project.

Mr. LENZNER. Did he indicate any concern with regard to whether personnel from prior administrations would not prosecute or investigate Mr. O'Brien?

Mr. BARTH. I do not recall any such concern; no.

Mr. LENZNER. You never heard Mr. Ehrlichman express that concern?

Mr. BARTH. That if this money were not reported, that they would not go after him?

Mr. LENZNER. The concern that the bureaucracy and the IRS were not responsive to the new administration because they were hired by a prior administration.

Mr. BARTH. Oh, you are not relating it specifically to the O'Brien case. You mean just generally.

Mr. LENZNER. Yes.

Mr. BARTH. Generally we had discussed the fact that there seemed to be some—

Senator MONTAYA. Feeling.

Mr. BARTH [continuing]. Tendency to go after Republicans rather than Democrats by some of the career people.

Mr. LENZNER. I take it when you talked with Mr. Ehrlichman that you were aware at the time that Mr. O'Brien had been or was the Democratic national chairman.

Mr. BARTH. I think that may have even been referred to. Well, I knew who Mr. O'Brien was and I do not know whether it was mentioned in the sensitive case report or not, but I think it probably was. I think it was probably the reason for identification.

Mr. LACKRITZ. When you spoke with Mr. Ehrlichman about the matters involving the President's brothers and Mr. Rebozo and Mr. O'Brien, did Mr. Ehrlichman express to you any concern on the part of the President about any of these matters?

Mr. BARTH. That I do not recall, whether the President—he said that the President was concerned; only that he was interested and concerned and wanted to be kept advised. Now, whether he mentioned the President's name or not, I do not know, but to that extent I do not know whether he had showed this report to the President or talked to him about it or not.

Mr. LACKRITZ. Did he indicate any particular urgency about checking on the O'Brien matter because of the President's interest?

Mr. BARTH. No, I do not recall any urgency involved, and I do not recall whether he mentioned that the President had seen this report or whether he knew about it or not. I just do not—nothing rings, strikes home on this. I don't recall his saying something like, "I've showed this to the President; he is very concerned about—" such and such. I don't recall the President's name coming up in the context of his having knowledge about the situation. That is something I wouldn't ask Mr. Ehrlichman. That is up to him as to what he tells the President. It wasn't—my job stopped, I felt, reporting to Mr. Ehrlichman.

Mr. LACKRITZ. Well, did Mr. Ehrlichman ask you to take any particular course of action such as looking at the individual tax returns related to the President's brother or of Mr. Rebozo at that time?

Mr. BARTH. No; absolutely not. Just "Keep me advised as this moves along."

Mr. LACKRITZ. And you were keeping him advised by means of—

Mr. BARTH. By the sensitive case reports—would be anything further that would come up.

Mr. LACKRITZ. Did he ask you to contact any particular individuals at IRS to get a better or more informed picture of what was going on, aside from what the sensitive case reports said?

Mr. BARTH. Occasionally, he would, but I don't believe he did on that one at that time.

Mr. LACKRITZ. When you say "occasionally"—

Mr. BARTH. No, I mean other sensitive case reports, he might say, "Would you get me some facts, because it isn't spelled out enough here." Unless I happened to know enough about it, about the background of the case, that I could explain what was behind the case, what was the significance of it, if it might be technical language or something.

He would occasionally ask me to get more data on that. But usually, it was a question of just "Keep me advised on this thing as it goes along." For example, Dr. Ryland's case was one where he would have asked to be advised as it moved along.

Mr. LACKRITZ. Do you recall the nature of the information contained in the sensitive case report concerning Mr. Rebozo?

Mr. BARTH. There was, I believe, either a statement or an implication that Mr. Rebozo had told somebody not to talk to the IRS about the development of the case.

Mr. LACKRITZ. Was it that Mr. Rebozo may have mentioned it to Mr. Meier?

Mr. BARTH. It might have been Meier, yeah, but it was something like that that would indicate that Mr. Rebozo was trying to get somebody to not be open with the IRS, or something like that. And I mean that this was obviously something that I felt ought to get called to the attention of at least Mr. Ehrlichman.

Mr. LACKRITZ. Do you recall the reason for the advice to Mr. Meier or the alleged advice to Mr. Meier?

Mr. BARTH. No, I really don't.

Mr. LACKRITZ. To stay away from the Internal Revenue Service. Did it relate to his contact with the President's brother?

Mr. BARTH. I don't remember how the President's brother came into the whole thing because—this complicated thing—because part of the

investigation of the Hughes Tool project and Mr. Meier and Mr. Cleveland, I think, was in the name of another individual involved. Part of it had to do with the sale of some fraudulent or some worthless land claims or mining claims or something at inflated prices to Hughes Tool Co.

In effect, they were bilking the company. And I think that finally Mr. Cleveland was indicted and maybe some others were indicted. And I don't know if John Meier was or not.

Mr. LACKRITZ. It was in the context of this investigation that Mr. Rebozo's name was mentioned?

Mr. BARTH. That is the best of my recollection, yes.

Mr. LACKRITZ. Have you looked at the sensitive case reports recently?

Mr. BARTH. Not recently.

Mr. LACKRITZ. When was the last time?

Mr. BARTH. Oh, I think maybe last November or December, something like that. Around the time that I was going to meet with either the joint committee or the Special Prosecutor's people, and so on.

Mr. LACKRITZ. Do you recall the specific allegations concerning Mr. F. Donald Nixon in that report?

Mr. BARTH. No. It was just, somehow he was involved in them or it's alleged that he was involved in the scheme or was close to some of these people who were purportedly bilking the Hughes Tool Co., something like that.

Mr. LACKRITZ. At that time were there any requests made of the Internal Revenue Service or made up through channels in the Internal Revenue Service to conduct interviews with either F. Donald Nixon or Mr. Edward Nixon or Mr. Rebozo?

Mr. BARTH. Now that occurred in the spring of last year—1973. That was not anything in 1972. The interview situation came in 1973. And would you like me to describe that?

Mr. LACKRITZ. Yes. Why don't you go ahead and describe that?

Mr. BARTH. OK. To the best of my recollection, I think Commissioner Walters was out of town or out of the country sometime in, oh, maybe March or April of 1973, and Mr. Ehrlichman called me over to his office and showed me a memo, I think addressed to Secretary Shultz from the Commissioner. And in that memo it set forth that, as part of the Hughes project, the Revenue agents involved wanted to interview Mr. Rebozo and the President's brother, Donald Nixon. And he was advising the Secretary of the fact that this request was being made.

So Mr. Ehrlichman said, I think he said something like: "Go ahead with the interview of Mr. Rebozo, but would you do me a favor and call Mr. Rebozo first and tell him that you talked to me and that there will be Revenue agents coming?"

Well, first, I think he asked me the question. He said, "Does it seem to be an appropriate request? Does it look like there's any problem here?" And I said, "I don't know." From what I saw I said I had seen the memo before. I didn't know it had been sent to the Secretary.

He asked whether this looked like anything serious, and I said, "No, I don't think so. It looks like a relatively routine third-party inquiry." He said, "Will you call Mr. Rebozo and tell him that I asked you to call? 'Agents will be coming to visit you, but it looks like they're just looking for some routine help on a larger case.'"

So I went back to IRS and I don't remember if I waited until the Commissioner came back to the office or back to town or wherever he was, or whether I immediately called Mr. Rebozo. I don't remember the chronology of it exactly. But I called Mr. Rebozo—

Mr. LACKRITZ. Down in Florida?

Mr. BARTH. I believe he was in Florida. Mr. Ehrlichman said to call the White House operator and ask them to connect me with him. And I did it that way. I didn't have his phone number.

So I called him and introduced myself and told him exactly what Mr. Ehrlichman had asked me to say, that he would be contacted by some agents; that it appeared to be a routine investigation relating to some other matters; that just as a matter of courtesy, we wanted him to know that these agents would be coming to see him.

I advised both Commissioner Walters of this fact and also Commissioner Alexander—and I'm going to back up just 1 second.

After he said to go ahead, you know, and have them go ahead with the routine interview of a normal course of Mr. Rebozo, he said: "I haven't had a chance to mention to the President the fact that the IRS wants to talk to his brother. Could you hold up on that a couple of days to give me a chance to do that? and I'll give you a call." So I said, Fine. OK."

So then a few days later he called me and said: "I've talked to the President. The President understands that his brother has to be interviewed, and the President said to go ahead and treat him like any other taxpayer." And so then I transmitted information on both individuals to the Commissioner, and either the Commissioner or I advised Mr. Hanlon, the Assistant Commissioner of Compliance, who was the top of the channel on the request from the agents—the agents worked under him—to go ahead with the thing. And I think I probably did advise Mr. Hanlon, but I am not positive.

So Mr. Hanlon said, "Fine. Thank you very much." And that was it for about, oh, maybe a week, maybe a week or 10 days. And when I saw Mr. Hanlon in the hall, he said: "Do you have the appointment set up," or something like that. "Do you have the appointment set up with Donald Nixon and Mr. Rebozo?" And I said, "Well, what do you mean? I'm not setting up any appointment."

And he said, "Oh, I thought you were going to set up the appointments." And I said, "No. I'm not getting involved directly in any case. You just go ahead and have the agents do it in the routine fashion, and there's no need for any special treatment," and so on.

So Mr. Hanlon had been under the impression that I had been under the—set up the appointments or something. That wasn't part of my job. And the very clear message that I had gotten from Mr. Ehrlichman was to treat these people like any other taxpayers, and let the agents go ahead in the normal course of events.

So I advised—as I say, I advised Commissioner Walters, and Commissioner-designate Alexander was on as a consultant at that time, I recall, of the fact that these inquiries were going to be made and so on. And as far as I know, they then went ahead with the interviews. The only other thing I can think of regarding this case offhand is that sometime after they completed their interviews there was a question, and I don't know if it was a sensitive case report, I don't remember how

it came up, but somehow or other, Commissioner Alexander mentioned to me or was announcing his presence, that there was some question of some money that was in the safe that Mr. Rebozo had and the agents felt that it warranted looking into on a more formal basis.

So the question posed to the Commissioner was just advising him of this, and the only other question involved is whether it would be done by the people working in the project out in Nevada going to Florida, handling that, or whether it should be handled as the normal course of things as a spinoff of this and be handled out of a Jacksonville office, the Florida office, and my recollection is that it was determined that it should be handled out of the Jacksonville office, that there was no sense in taking people off the project because it seemed to be unrelated to the project itself.

Mr. LACKRITZ. Who made that determination?

Mr. BARTH. I think Commissioner Alexander, or at least it was discussed in his presence. I think he was there, but that, to the best of my recollection, is the best I recall.

Mr. LACKRITZ. Did you ever see any sensitive case reports coming out of the interviews conducted in the spring of 1973?

Mr. BARTH. I don't believe I ever did because at that time Commissioner Alexander was coming on and from then on he was taking charge of the sensitive case reports. He had his own Assistant to the Commissioner, Burke Welsey. He came on, and I was Deputy Chief Counsel, so I was just phasing out of that responsibility.

So I don't recall seeing any sensitive case report on the interviews. I don't know whether there were any or not. I just don't know.

Mr. LACKRITZ. I would like to get back, I would like to go back and then get back into the spring of 1972 again. Is there anything else that you remember that you want to add to this narrative now before we go back? Some further questions about some other things?

Mr. BARTH. No; I just covered so much time. That's all I can remember offhand.

Mr. LENZNER. Did you attempt to confer with—Mr. Rebozo had a talk with Mr. Meier.

Mr. BARTH. No; I never had any contact with the field myself.

Mr. LENZNER. Did you ever discuss that with anybody else?

Mr. BARTH. No; you mean the substance of the allegation against Mr. Rebozo? No; not to my recollection. Not at all.

Mr. LENZNER. You never talked to Mr. Rebozo?

Mr. BARTH. The only conversation I had with Mr. Rebozo was limited to about 1 minute and: "Hello; Mr. Rebozo? My name is Roger Barth, and Mr. Ehrlichman asked to me to advise you that some agents would be coming." Nothing of substance at all.

Mr. ARMSTRONG. Did you discuss with Mr. Rebozo what the nature of the agents' business would be?

Mr. BARTH. I don't believe I did. I just advised him some agents would be coming to talk to him. It appeared to be a routine third-party inquiry.

Mr. ARMSTRONG. Did you say what it was related to?

Mr. BARTH. I don't remember if I mentioned the Hughes Tool Co. or not. I may well have. It wouldn't have made any difference because they would have advised him when they walked in.

Mr. ARMSTRONG. What did he say?

Mr. BARTH. Just as I said: "OK. Thank you for calling."

Mr. ARMSTRONG. Did he indicate that he was aware that you were going to call? That he was aware that he was going to be contacted?

Mr. BARTH. I don't have any recollection of his having that impression.

Mr. ARMSTRONG. Did he seem surprised? Did he ask you any questions?

Mr. BARTH. I don't think he did. I think it was just a very brief conversation. I don't recall any questions that he asked me. It just seemed I just have the impression that the whole conversation was a courtesy call. I don't recall that he asked me any questions.

Mr. ARMSTRONG. He didn't say, "What is this all about?" or anything like that?

Mr. BARTH. I'm sorry. I just don't recall whether he indicated that, or he knew what it was about, or whether I explained that it related to the Hughes Tool project or not. I just really don't recall. It was just a brief conversation.

Mr. LENZNER. You are not saying that you did not advise him as to what it related to?

Mr. BARTH. No. I'm just saying it was a brief conversation over a year ago, and I just don't recall the exact specifics and I don't want to mislead you by saying I thought there was more to it than there was. I just don't recall that there was. It just seemed to be a very brief conversation, and my recollection was that it may have been a minute.

Mr. ARMSTRONG. You didn't learn anything in the conversation, did you?

Mr. BARTH. No; nothing at all.

Mr. ARMSTRONG. He didn't say, "No problem," or anything?

Mr. BARTH. I don't have any recollection, any impression, or anything at all.

Mr. LACKRITZ. Did you keep phone logs at that time of people you called?

Mr. BARTH. No, I didn't.

Mr. LACKRITZ. Would you have any way of pinning down the date that you called Mr. Rebozo?

Mr. BARTH. No, I wouldn't, because I just had so many calls from various departments in Congress and Senators and the White House. I had a lot of calls. I don't have any—I never kept a log.

Mr. LACKRITZ. I suppose possibly calling somebody like Mr. Rebozo, that would be something that would stick in your mind.

Senator MONTAYA. Do you want to continue with the interrogation while I vote?

Mr. LACKRITZ. We would like to, if it's agreeable with counsel and the witness.

Mr. SCHROEDER. May I just discuss it with my client for one moment?

Senator MONTAYA. I have to go up and vote anyway.

[A brief recess was taken.]

Mr. LACKRITZ. Do you have any objection to proceeding now?

Mr. SCHROEDER. No.

Mr. LACKRITZ. I would like to go back, Mr. Barth, to the question of possible improper behavior of Mr. Rebozo that arose in the sensitive case report that you gave to Mr. Ehrlichman.

As I recall, he said that the allegation was concerning advice that Mr. Rebozo gave to someone to stay away, to possibly stay away from the Internal Revenue Service. Is that correct?

Mr. BARTH. Something like that; yes.

Mr. LACKRITZ. Do you recall if it was Mr. Meier that Mr. Rebozo allegedly advised to stay away from the Internal Revenue Service?

Mr. BARTH. I think it was, but exactly why he wanted him to stay away, I don't recall. I think it was some conversation that he had with Mr. Meier to not go near the IRS or something or other.

Mr. LACKRITZ. Did you mention this information specifically to Mr. Ehrlichman, or did you put it specifically in the sensitive case report?

Mr. BARTH. The reason for my concern about this thing would have been spelled out in the sensitive case report, so it would have been right there.

Mr. LACKRITZ. Did either Mr. Ehrlichman or anyone else ask you to take any further action concerning the allegation contained in the sensitive report? Did someone advise Mr. Rebozo to stay away from the Internal Revenue Service?

Mr. BARTH. No.

Mr. LACKRITZ. Did you take any action on your own?

Mr. BARTH. No.

Mr. LACKRITZ. Were you concerned at all about the allegation?

Mr. BARTH. No; concern stopped when I advised the Secretary and/or Mr. Ehrlichman.

Mr. LACKRITZ. When you advised the Secretary of the allegation concerning Mr. Rebozo, did he express any concern to you?

Mr. BARTH. I don't recall that he did. I think it was just a question that he felt that the White House should know about this.

Mr. LACKRITZ. Well, did he ask you or did you suggest that someone should interview Mr. Rebozo in order to find the facts of the allegation before it went any further?

Mr. BARTH. I don't recall anybody discussing it with me, nor did I suggest it because I don't recall any direct involvement that I had or that was suggested to me, as far as getting into the merits of the case in any way.

Mr. LACKRITZ. So the answer, then, is that nothing further at that time was done to check out the allegation that Mr. Rebozo had to stay away from the IRS?

Mr. BARTH. I don't recall anything that was done or asked to be done at that time. And again, with the caveat that this was important for the day. But the next day it was pretty much forgotten. I had a lot of work to do. But I really do not remember anything that was asked or was done.

Mr. LACKRITZ. Do you have any further questions?

Mr. LENZNER. Was Mr. Ehrlichman concerned about it when you talked to him about it—Rebozo's improper behavior?

Mr. BARTH. As I recall, he was concerned enough that he wanted to be kept advised as this thing went along, but he didn't seem to be climbing the walls or anything like that.

Mr. LENZNER. Do you know of any effort made by Mr. Ehrlichman or any other individual at the White House to determine for Mr. Rebozo as to what the substance was of that story?

Mr. BARTH. No. I know of no other inquiry that was made by anybody as to the merits of that allegation.

Mr. LENZNER. Did you ever receive any information or any further communications or discussions with regard to that allegation?

Mr. BARTH. I don't recall any, but unless there were, any of them that came up in later sensitive case reports—they are updated every month. What came up after that, I just don't recall. They make a chronology of the thing as to whether that thing, as to how it ultimately came up.

Mr. LENZNER. Was it confirmed or was it denied?

Mr. BARTH. I really don't know.

Mr. LENZNER. Do you know if an obstruction of justice case or an investigation was ever initiated with regard to Mr. Rebozo advising a witness not to discuss or not to meet with the IRS?

Mr. BARTH. I know of no such investigation. All I can recall is that there was this question raised in the sensitive case report and where it went from there, I really don't recall.

Mr. LENZNER. Was there any concern expressed by Mr. Ehrlichman or was it Secretary Shultz—whoever the Secretary was—was there any concern expressed relating to a citizen attempting to have another citizen not cooperate or meet with the IRS? I take it that's a practice that the IRS would not want to encourage.

Mr. BARTH. That was the reason why the sensitive case report—one of the reasons why it went over there, the involvement of the President's brother and this allegation of possible impropriety on the part of Mr. Rebozo. And that was the reason why it went over.

Mr. LENZNER. But the question was, was there any concern expressed by the Secretary or Ehrlichman with regard to the idea that a citizen, Mr. Rebozo, was advising another citizen not to meet with the IRS?

Mr. BARTH. I can't recall the specific expressions of concern, but I'm sure that the concern would have been expressed by virtue of the fact that the Secretary felt that—he referred to Mr. Ehrlichman and that he should be kept posted on it, and Mr. Ehrlichman wanted to be kept posted on it. I think that they would have taken it seriously, but that is just my impression.

Mr. LENZNER. Was there any other information in the report regarding Mr. Rebozo?

Mr. BARTH. I don't know. Do you have the sensitive case reports? If you could show it to me, I'd be happy to—

Mr. LENZNER. Go ahead.

Mr. LACKRITZ. We don't have the actual copies of the sensitive case reports.

Mr. ARMSTRONG. Does this sound familiar, reportedly from a sensitive case report on John Meier?

Mr. BARTH. Was it under the name of Meier or under the Hughes project? I don't recall which it was.

Mr. ARMSTRONG. This one was under Meier by the time they became aware an investigation of Meier's income tax liability was initiated in June 1970, and attempts to interview the taxpayer were unsuccessful.

Bebe Rebozo, personal friend of the President, allegedly instructed Meier not to be available for interview because of Meier's alleged association with Donald Nixon regarding the acquisition of money and funds.

Mr. BARTH. That sounds like the kind of allegation that was contained in the sensitive case report that I was concerned about. It was something like that. It was related to the mining claims, which were a major portion of the whole Hughes project and the Meier case.

Mr. ARMSTRONG. This is a status report. Initially, this section is a status report as of March 1972.

Mr. BARTH. I don't recall that particular thing. It doesn't look like a sensitive case report form, so I don't know.

Mr. LACKRITZ. As I mentioned, it's not actual copies of sensitive case reports. There are apparently some problems with some of the disclosure provisions from the Internal Revenue Service in terms of furnishing copies and information.

Mr. BARTH. I hope there's nothing wrong with my disclosing to you. I hope that part has been clarified.

Mr. LACKRITZ. That's been resolved.

Mr. ARMSTRONG. Do you recall a reference to Senator Kennedy in the same sensitive case report?

Mr. BARTH. No, I don't. There were several prominent names, but the names that seem to stick in mind would be Senator Humphrey and I think Senator Church.

Ms. DEOREO. You said Cannon.

Mr. ARMSTRONG. You said Fong, Cannon, and Church. Do you recall a reference to a Henry and Eddy Vadarosa who, along with their brother, sold mining claims in which Eldon Cleveland was involved, stated to us, in turn, that he heard Edward Kennedy got \$100,000?

Mr. BARTH. I don't recall that portion of any sensitive case report. I just recall that there were a lot of prominent names in the sensitive case report, and of course they would be changed month after month.

Mr. ARMSTRONG. Do you recall—this also mentions that Meier and his wife would accompany Donald Nixon and his wife to Washington with consultation with President Richard Nixon, November 21, 1968. It says, thereafter, "by traveling to New York City to meet with Edward Nixon for purposes of laying out suggested programs with the Nixon administration." Do you recall that?

Mr. BARTH. I think there was a reference in the sensitive case report to a meeting with President-elect Nixon and Meier. But I don't recall beyond that, and I don't recall what the specific references were to the various Senators—Senator Humphrey, and so on. I don't recall exactly what the nature of those was.

Mr. LACKRITZ. OK.

Mr. BARTH. Excuse me. One thing that might be helpful, I don't know. You mentioned this one was going to the White House. Again, I was going to say, if it said "White House," it might have gone to southwest gate—would have been more apt to be a visit to Mr. Ehrlichman or Mr. Haldeman in that wing, whereas saying "going to EOB" would be to the old EOB. That would have been the same as anybody.

Mr. LACKRITZ. You met with Mr. Ehrlichman in the spring of 1972 and got copies of Mr. O'Brien's individual tax returns for the relevant years; who did you contact first?

Mr. BARTH. I think it would have had to have been either Mr. Geibel or somebody in his staff, if my memory is at all right that it was May of 1972.

I just thought that I had pretty well pinned it down to around that date from the sensitive case reports. If that date is correct, it would have been either somebody—Geibel or one of his division directors.

Mr. LACKRITZ. Do you remember specifically calling Mr. Geibel?

Mr. BARTH. No; I wouldn't have called. I would have just dropped in. They were right down the hall—Inspections was right down the hall.

Mr. LACKRITZ. Do you recall Mr. Geibel's reaction to your meeting with Ehrlichman?

Mr. BARTH. No; I really don't. No, because I'm pretty sure it was a meeting, but I don't even want to swear that it was a meeting; I think it was. But I don't remember the time of day.

Mr. ARMSTRONG. Logs.

Mr. BARTH. You are referring to the meeting in 1972?

Mr. ARMSTRONG. Yes, sir.

Mr. BARTH. Not the one where you're talking about the interview with Rebozo and so on?

Mr. ARMSTRONG. Do you recall? I'm just trying to place the date. The logs there show use of, I think it is, guest limousines or the cars the IRS had at its disposal, and it shows a trip in the April-May period. There's a trip on April 13 to the White House from 4:40 to 6:15. On April 27, it says: "pick up Barth at EOB at 2, May 4. To the White House at 9:50." And on May 15th, "To the EOB."

Ms. DEOREO. The MT is Main Treasury.

Mr. ARMSTRONG. "Main Treasury at 5:10." Does that ring a bell?

Mr. BARTH. No; the time period, but I don't know what the visits were for. As I say, I don't have any log to tell what the visits were for.

But I don't know. Maybe Mr. Ehrlichman, so long as he has logs, would be able to pin down the date better.

Mr. LACKRITZ. But I take it at this time, in spring of 1972, you were not aware of allegations that Mr. Rebozo received \$100,000 in cash from the Hughes Tool Co.?

Mr. BARTH. No; I don't recall anything mentioned in the sensitive case reports on that. I don't think there was anything until 1973, which is my recollection when the issue came up of the interview, but I may be wrong on that.

I just don't recall having any involvement or a recollection of this business about the money in the safe until after the interview, which was a reason, as I recall, why the agents wound up with the question—whether this was taxable income of Mr. Rebozo that he should report.

Mr. ARMSTRONG. Do you keep a diary or log? Do you have an appointment book that your secretary kept?

Mr. BARTH. No; I just had these tear-off sheets. Day to day I just tear them off.

Mr. ARMSTRONG. There's nothing you retained that would help us pin down the dates?

Mr. BARTH. No; I'm afraid not.

Mr. ARMSTRONG. Did you go over to the White House very often?

Mr. BARTH. Not really. I would estimate, oh, once every 2 or 3 months, maybe something like that—go and visit somebody, not always

Ehrlichman. I might be invited to go over and have lunch with somebody.

Mr. ARMSTRONG. Do you remember the time of day you were requested to get the individual tax returns?

Mr. BARTH. No, I really don't, because I don't know if it was Geibel or Kiley or Hullahan or one of the other Directors.

Mr. LACKRITZ. Was there any reluctance on their part to provide the tax returns to you?

Mr. BARTH. I don't think so. I was entitled to them and I just don't remember what detail I went into as to the reason for wanting them. But I just told them that I would want it done in a way so that persons working on the case would not know that I had requested these.

Mr. LACKRITZ. Did you explain to them that Mr. Ehrlichman expressed some interest in the matter or—

Mr. BARTH. I don't think I indicated even to the inspection people what the reason for my inquiry was. I am pretty sure that I probably kept that to myself, but I don't know if I mentioned it or not.

Mr. LACKRITZ. How soon after the request did you get the returns?

Mr. BARTH. Maybe a week, something like that. It's a rough guess. I don't remember the exact lapse of time.

Mr. LACKRITZ. Did you make any copies of the returns yourself?

Mr. BARTH. No; I think I just used the copies that were presented to me, and then my recollection is, when I finished with them, I just ran them through a shredder.

Mr. LACKRITZ. This was a shredder in your office.

Mr. BARTH. Or tore them up or something.

Mr. LACKRITZ. Did you have a shredder in your office that you would use?

Mr. BARTH. I don't know at that time if I did or not. There was one in the Commissioner's office. The Administrative Assistant to the Commissioner had a shredder and I had one, or I don't know if I got it or if I tore them up. My guess is with tax returns like that I would have used the shredder.

Mr. LACKRITZ. When you examined the returns, did you make any notes? You must have made some notes.

Mr. BARTH. Yes; just the computations, but I think those I would have shredded at the same time as the tax returns.

Mr. LACKRITZ. And you didn't keep any copies of those?

Mr. BARTH. No; I don't believe anything like that.

Mr. LACKRITZ. When you reported back to Mr. Ehrlichman, did you explain any of the information that was contained in the tax returns, aside from your conclusion?

Mr. BARTH. No, I just gave him the conclusions, because all that I could tell him that would be relevant to what I was calling him about was the fact that there was enough gross income reported to cover the amount determined by the agents in the sensitive case report, and the fact that I did not believe it was worth pursuing any further.

Mr. LACKRITZ. Did you indicate to him that the income reported on the tax return was paid by Mr. Hughes for consulting fees or public relations fees?

Mr. BARTH. No; I explained to him that there was no way of pinpointing what the source of the income was, that most people in

any business, they don't specify who all their clients are on the tax return. They would just list the gross figure, and IRS would have no way of knowing on a tax return what the source of the payments were. So it was at best a very rough look at it, from that standpoint.

Mr. LACKRITZ. What was Mr. Ehrlichman's reaction when you explained to him there was at least enough income on the returns to cover the amounts in the sensitive case reports?

Mr. BARTH. He said, "Fine. Thank you very much."

Mr. LACKRITZ. Did he express any pleasure that there was?

Mr. BARTH. No. My recollection was that he said, "Fine; thank you very much. I appreciate you checking." That was the end of it, as I recall.

Mr. LENZNER. Did you ever furnish him anything in writing with regard to that?

Mr. BARTH. I don't think I did. I am pretty sure I just called him on the phone.

Mr. LENZNER. On occasion, did you send him a memorandum with information?

Mr. BARTH. I would on occasion. I don't remember specific occasions, but I wouldn't hesitate to, if the occasion arose, I'm sure that I would have, yes. It is possible, but I am pretty sure that on that I just would have called him, because it was a straightforward thing to get done in 2 seconds of conversation on the phone.

Mr. LENZNER. Did you ever ask to see the audit or the audit results on O'Brien?

Mr. BARTH. No. The only time that I would have seen audit results on O'Brien, I think, would have been what I referred to before which transpired in August or September of 1972. That was apparently some kind of audit report, and my recollection is it was maybe four to eight pages.

Mr. ARMSTRONG. Did you have any conversation with Mr. Caulfield regarding Mr. O'Brien?

Mr. BARTH. I don't think I had any conversations with him about O'Brien. I am pretty sure not, because I think the only one I talked to about it was Ehrlichman.

Mr. ARMSTRONG. Did you report to anyone the contents of any information that was available on the returns of corporations or the consulting arrangements that Mr. O'Brien had?

Mr. BARTH. I don't believe I discussed those with anybody.

For one thing, I don't think that that information was in my possession at any time, because on a tax return, which is all I had, you just list your gross income. You don't identify the payers of the income.

Mr. LACKRITZ. Do you recall any requests about O'Brien arising prior to the spring of 1972, or do you recall seeing any information concerning Mr. O'Brien arising prior to the spring of 1972?

Mr. BARTH. I don't recall any, but of course I have been questioned by so many committees about these events, that these are the ones that stick in my mind, but I honestly don't recall anything earlier than the occasion when it arose in that sensitive case report. But whether there was ever any earlier audit of him or any sensitive case in the preceding 3 years, I just don't know.

Mr. LACKRITZ. Do you recall if Caulfield ever came to you and asked you specifically what information you had or what information you knew about O'Brien's relationship to Mr. Hughes, specifically in the time period around January 1971?

Mr. BARTH. I don't recall that he did. Again, maybe he did, but I leave that to him to say.

If he said he did, well, I would rely on the judgment, but I have no recollection of it, no. There is nothing that sticks in my mind about anything earlier than the sensitive case report situation.

Mr. ARMSTRONG. Did you have any contact with Tom Huston on the subject?

Mr. BARTH. No.

Mr. ARMSTRONG. I gather that Tom Huston was somebody in the White House with whom you had some contact?

Mr. BARTH. I had some contact, but it mostly related to exempt organizations, as I recall, and I think that goes back—I think he left there in 1971, so it's stretching back in my memory.

Mr. LACKRITZ. Then in late summer—you said late summer was when the next case arose, and that was, from your recollection, at least, in a drive over to the White House—in a drive over to the Treasury with the Commissioner of IRS, at that time, Mr. Walters.

Mr. BARTH. Right.

Mr. LACKRITZ. Now what preceded that?

Mr. BARTH. I can't remember, other than the recollection of that visit.

Mr. LACKRITZ. What was the special report prepared on the audit of Mr. O'Brien?

Mr. BARTH. That I don't know.

Mr. LACKRITZ. Did you ask the commissioner?

Mr. BARTH. No.

Mr. LACKRITZ. And you don't recall the Commissioner explaining to you why the special report had been prepared?

Mr. BARTH. No, I don't.

Mr. LACKRITZ. Did it appear that the Secretary of the Treasury had requested that report?

Mr. BARTH. I couldn't tell from the context what had transpired, who had originated it, what the purpose was. I was just sort of brought in at the last minute. I didn't know why. I wasn't on the best of terms with the Commissioner at the time so I just didn't presume to get involved in it by asking him that.

Mr. LACKRITZ. And when was this meeting, the meeting that you described between the Commissioner and the Secretary of the Treasury?

Mr. BARTH. It was sometime in August or September of 1972, to the best of my recollection.

Mr. LACKRITZ. Would it have been at around the time of August 26, 1972?

Mr. BARTH. It would be somewhere around there. It was good weather. I remember it was—it seemed to be a nice day or something. It was around August or September and it could well have been the 26th of August. I don't know the exact date, and again, possibly the Commissioner's or the Secretary's records might show the date.

Mr. LACKRITZ. When was your discussion with Mr. Ehrlichman about the nonresponsiveness of the Internal Revenue Service, or was this is an ongoing thing?

Mr. BARTH. Oh, this was an ongoing thing. It was not a specific conversation. We had a number of conversations.

Mr. LACKRITZ. When did these conversations begin? Do you recall?

Mr. BARTH. Oh, I don't know—1971.

Mr. LACKRITZ. How did they arise initially? Do you remember that?

Mr. BARTH. No, not really. During conversations, but I would probably have brought them up.

Mr. LACKRITZ. And why would you have brought them up?

Mr. BARTH. I would bring them up, for example, in the form of complaints from me of instances of harassment that I felt were harassment, that had come to my attention, instances of what I felt were foot dragging of people in IRS on administration-sponsored programs—for example, the organized crime drive and the narcotics program. These I remember as two clear instances of what I felt was a lack of responsiveness to very important administration programs.

Mr. LACKRITZ. And did you feel that that was because of Democrats in the Internal Revenue Service?

Mr. BARTH. Well, whatever. They just didn't want to get into it, and, of course, this is, whatever the reason for it was. I felt it was there and I felt that it was something that I ought to raise, and, of course, as the Senator knows very well, this is a question of judgment, too, as to how much IRS sticks to its tax-collecting function, how much it gets into these other areas of narcotics and organized crime. They have enough to do on one side of the argument, that is with ordinary tax work; and on the other side of it, should we divert some of our manpower for these special projects. This has been a continuing debate for a number of years.

Mr. LACKRITZ. Did Mr. Ehrlichman indicate to you that he was in sympathy with you, with the problems you were expressing?

Mr. BARTH. Yes. I think he was in sympathy with them.

Mr. LACKRITZ. Did he indicate to you how he was hoping to change them, or did he indicate any means of changing the situation or make it a little bit more responsive?

Mr. BARTH. Yes. I think we probably talked about the need for the Secretary and the Commissioner to push harder on some of these programs or even to change the Commission if necessary, if the Commissioner wasn't going to push hard enough on the programs that I felt were important. Then in the instance of harassment, I remember one instance that I'm pretty sure I discussed with Mr. Ehrlichman, where some agents went into—this was a complaint I had from Mr. Dent. He called me over to his office one day and said that some agents had gone into the Republican State Committee down in either North or South Carolina and wanted to see a list of all contributors of over \$1,000, both to the Republican North Carolina State Committee and to the Nixon-Agnew Committee for 1968. And the question was raised: Is this a proper inquiry? And so, whoever the Commissioner was then, Thrower or Walters, as I recall, asked Donald Bacon, the Assistant Commissioner, if we had a project going on this part of the political corruption program, in which case it might well be appropriate, or exactly what was it?

Mr. Bacon came back a little while later and said, "Oh, don't worry about that. Just forget about that. We just had some overzealous agents."

But apparently, the Republican national chairman was friendly with the Democratic State chairman and called him to see if he had gotten a similar request. The Democratic State chairman said, "No; nobody's been around to see me for such a thing, and that type of thing I would have complained about."

Mr. LACKRITZ. Did Mr. Ehrlichman ever bring up the subject in your presence with Commissioner Walters?

Mr. BARTH. I am trying to think if the three of us were ever in the same room together. I don't recall whether we were or not. We may have been but I don't recall the specific instance. But these were areas of concern to me.

Ms. DEOREO. But it was nothing that Mr. Ehrlichman brought up in that conference—his telephone comments—Secretary's office concerning the final report on the O'Brien audit?

Mr. BARTH. Maybe that was what he was concerned about, and I don't know. Mr. Ehrlichman—I don't know whether he was concerned that it took so long for them to get back with the report, if this is what he requested.

I don't know. See, I didn't have any background on this situation. It may have been a general lack of responsiveness of IRS to administrative programs or so on, and I don't really know the background.

Ms. DEOREO. My question is, at the time of the telephone conversation, he didn't actually lay into anyone?

Mr. BARTH. He laid into Commissioner Walters, but I can't recall what the specific reason was, whether, it was a general thing along the lines I have been talking about or whether it related to a specific time lag in reporting to him this O'Brien audit report. But he appeared to be upset with him. I didn't presume to get involved with that. I just listened. I didn't say anything.

Mr. LACKRITZ. And then you say a few days subsequent to this call you received another telephone call from Mr. Ehrlichman, who asked you again?

Mr. BARTH. It was either the Sunday or the next day, I think.

Mr. LACKRITZ. He thought because of the situation you may not have been as candid as he liked?

Mr. BARTH. That was the impression that I had, that he just wanted to give me a chance to speak my piece.

Mr. LACKRITZ. Did you get the impression of Mr. Ehrlichman that he wanted further action taken on the O'Brien audit, if there was any reason to have it taken?

Mr. BARTH. The only impression I had is, he wanted my honest opinion, as to whether the report was appropriate and complete, and that was all.

It was a very brief conversation. He said, "Do you mean what you said there? Is it a good report?" and so on. I said it seemed to me it was, and that was the end of the conversation. Again, he said, "Thank you very much," and that was it.

Mr. LACKRITZ. You indicated previously that the report itself indicated that there was no improper activities on the part of Mr. O'Brien; isn't that correct?

Mr. BARTH. That is my recollection.

Ms. DEOREO. Isn't it your recollection that the report itself wasn't a normal procedure, that you weren't even sure why the report was made?

Mr. BARTH. I don't know to this day what the reason was for that report.

Ms. DEOREO. Would this be the kind of report that, actually, a copy of it would have been sent to Mr. Ehrlichman?

Mr. BARTH. In a sensitive—no, it wasn't in the sensitive case report form. No.

Ms. DEOREO. I'm not asking you what the form was. Would the typed-up version of whatever this report was—would a copy be sent to Mr. Ehrlichman?

Mr. BARTH. No. It seemed more lengthy than the normal report.

Ms. DEOREO. It was not sent to Mr. Ehrlichman, as far as you know?

Mr. BARTH. No, I don't think he took the telephone report and I think that was it, or I don't have any knowledge or a reason to believe that he got the copy of the report.

Mr. LACKRITZ. Were you involved at all subsequent to the late August meeting, in September 1972—were you involved at all in the meetings between Mr. Dean and Commissioner Walters concerning the enemies list that was reported in the Joint Committee's report?

Mr. BARTH. I sure wasn't. I was just as surprised as anybody else when I heard that on television.

Mr. LACKRITZ. You were not contacted by Mr. Dean at all on that matter?

Mr. BARTH. No, sir.

Mr. LACKRITZ. Commissioner Walters did not mention to you anything about this request from Mr. Dean?

Mr. BARTH. No, sir.

Mr. LACKRITZ. Going back to the spring of 1973 and the request for the interviews in the spring of 1973, as I understand it, at this time you were deputy counsel.

Mr. BARTH. Deputy chief counsel.

Mr. LACKRITZ. How was it that you were informed of this request to have the interviews done on Mr. Rebozo and Mr. F. Donald Nixon?

Mr. BARTH. My recollection was that Commissioner Walters, who had apparently initiated this memorandum after the request came from compliance—the statement that they wanted to go ahead with the interviews—I don't know whether it was in the form for a request to go ahead—they were going to go ahead and do it. But it was a matter of advice.

Commissioner Walters, I believe, was either out of town or out of the country, and I remember he took a trip somewhere toward the end of his tenure, and it may have been during that time, I think he was on an overseas trip or some long-distance trip toward the end of his tenure. And as a result, since I was still handling sensitive case reports with the Commissioner out of town, Ehrlichman would have logically called me to transmit the information. In other words, the response or the reaction to this memorandum saying that we would like to interview these two gentlemen.

Mr. LACKRITZ. Yes. Right. But it was a memorandum specifically from Walters to Ehrlichman?

Mr. BARTH. I think it was from Walters to the Secretary, but Ehrlichman had it and showed it to me, but my recollection is it was to the Secretary.

Mr. LACKRITZ. Did he call you again over to his office to discuss the matter with you?

Mr. BARTH. Yes, he called and said, "Could you stop over and see me," and I went over and we discussed—it was the first time that I knew about the request by the agents—was at that meeting in Mr. Ehrlichman's office. Up until then I didn't know the Commissioner had written this memo that the request had come in.

Mr. LACKRITZ. Did you recall any other request to interview Mr. Rebozo in the fall of 1972?

Mr. BARTH. Not offhand. The only ones I recall were just the ones where this memo was involved.

Mr. LACKRITZ. And that would have been in the spring of 1973?

Mr. BARTH. Yes, I remember that was in the spring of 1973, because the Commissioner-designate was on board and I filled him in on this, since I felt that he was within a week or two of getting sworn in or something.

Ms. DeOREO. But in May of 1972, you don't recall any request to interview just Mr. Rebozo?

Mr. BARTH. I don't believe so. I don't recall any request for interviews. Nothing comes to mind.

Mr. LACKRITZ. I was trying to find a way, a means of placing what time that particular request that would have come back from Mr. Ehrlichman to you, but we'll pin that down to when Commissioner Walters was out of the country.

Mr. BARTH. It seems to me he was out of town or out of the country, but it would have been somewhere, and it was after Mr. Alexander came on board as a consultant. So I think you could narrow it in there, some part of March or April, I think.

Mr. LACKRITZ. Did Mr. Ehrlichman inform you that he was going to call Mr. Rebozo and inform him of the IRS interest in interviewing him?

Mr. BARTH. No. He specifically asked me, "Would you mind giving him a call and telling him that I would call."

Mr. LACKRITZ. Did you ask him if anybody else was going to be contacting him, too?

Mr. BARTH. No; I didn't.

Mr. LACKRITZ. Did you call anyone else aside from Commissioner Walters and/or Commissioner Alexander concerning the request to interview Rebozo and F. Donald Nixon?

Mr. BARTH. I don't think there was anybody else involved except Mr. Hanlon, the Assistant Commissioner.

Mr. LACKRITZ. Outside of that group, did you contact anyone else?

Mr. BARTH. I don't believe I contacted anybody else. I don't believe anybody else was involved in that request, and I did not call Mr. Nixon—I mean Donald Nixon. It was just Mr. Rebozo.

Mr. LACKRITZ. Was there any reason why you didn't call Mr. Nixon after Mr. Ehrlichman said, "Go ahead. I've talked to the President. He should be treated like any other taxpayer."

Mr. BARTH. I wasn't asked to and I wouldn't normally have called Mr. Rebozo. He just asked me to do it as a matter of courtesy.

Mr. LACKRITZ. Is it a normal practice for the Internal Revenue Service to notify people ahead of time that they are going to be interviewed by the agents?

Mr. BARTH. He would notify him normally by just the agent walking in. The agent would do the calling. It would not be normal for the assistant to the Commissioner, the Deputy Chief Counsel, in that particular case, to be calling to say that some agents would be contacting you, but I felt it was a close friend of the President. I felt no qualms or impropriety about calling him as a matter of courtesy.

Mr. LENZNER. Do you know if anybody else called Donald Nixon?

Mr. BARTH. No; I don't.

Mr. LACKRITZ. Did you have any discussions with anybody in the White House in or around the spring of 1973, concerning competent tax attorneys that might be able to give advice to Mr. Rebozo in this matter?

Mr. BARTH. No; I don't recall ever being asked.

Mr. LACKRITZ. Did Mr. Ehrlichman ever discuss with you what should be done with Mr. Rebozo now that he's going to be interviewed and investigated by the Internal Revenue Service?

Mr. BARTH. Well, in that conversation he wasn't really being investigated by the Internal Revenue Service. He was merely the third-party witness, and that was the reason why he said to just tell him. It seems to be a routine type of thing.

It was after that that the question of this \$100,000 in the safe came in, that the agents then said, "We want an open investigation on Mr. Rebozo himself." It was after that meeting in a matter of a number of weeks or so.

Mr. LACKRITZ. Did anyone else from the White House staff subsequently or in that period of time, March and April of 1973, contact you after that time to ask your advice concerning this case or ask for any information concerning this case?

Mr. BARTH. I don't recall that anybody did.

Mr. LACKRITZ. Did you ever talk to General Haig about the matter?

Mr. BARTH. I don't believe I ever talked to General Haig at all in my life.

Mr. LACKRITZ. How about Deputy Secretary Simon, about that matter?

Mr. BARTH. Conceivably, I could have because he was getting the sensitive cases, as I was taking the sensitive case reports to him as well as the Secretary, so I could have discussed this case with Mr. Simon also. But I don't recall any specifics of a conversation about it.

But, as I would go up to see the Secretary, also make a trip up to see the Deputy Secretary, because he had a more functional responsibility over IRS under the Treasury things. The Commissioner is supposed to report to the Deputy Secretary, and he was trying to learn as much as he could about the operations of the IRS.

Mr. LACKRITZ. Do you recall if Mr. Simon had any reaction? Do you recall the subject of discussion with Mr. Simon?

Mr. BARTH. No; I don't.

Mr. LACKRITZ. Do you have any further questions in this area?

Mr. ARMSTRONG. No. Go ahead. With your phone call to Mr. Rebozo, was that the first time and only time you spoke to Mr. Rebozo?

Mr. BARTH. Yes.

Mr. ARMSTRONG. Did you ever speak with him again?

Mr. BARTH. No; I don't think I have ever spoken to him at all.

Mr. ARMSTRONG. Have you ever spoken to a representative of Mr. Rebozo?

Mr. BARTH. No.

Mr. ARMSTRONG. Has Mr. Rebozo ever tried to contact you, do you know?

Mr. BARTH. No.

Mr. ARMSTRONG. Any of his attorneys?

Mr. BARTH. No.

Mr. ARMSTRONG. Have you ever met or talked with a Kenneth Gemmill?

Mr. BARTH. I think I've talked to him once since I left IRS, but it was in an unrelated matter to this.

Mr. ARMSTRONG. You have not talked to him prior to leaving the IRS?

Mr. BARTH. No; not to the best of my knowledge. I think he had been a former chief counsel, but I don't recall ever having met him or talked to him.

Mr. ARMSTRONG. Did you ever talk to him about the President's tax matters?

Mr. BARTH. Before I left IRS? No; I don't recall ever having talked to him before I left IRS.

Mr. ARMSTRONG. Do we have on that record what date you left IRS?

Mr. BARTH. January 1, 1974.

Mr. ARMSTRONG. Could you tell us just the area you spoke to him about after leaving? Did it have to do with your service with IRS?

Mr. BARTH. No; it didn't.

Mr. ARMSTRONG. Was it about a private matter?

Mr. BARTH. It was a matter that would fall under attorney-client privilege, and unrelated to my responsibilities at IRS.

Mr. ARMSTRONG. Unrelated to Mr. Rebozo and the President?

Mr. BARTH. It would fall into the category of attorney-client privilege.

Mr. ARMSTRONG. It doesn't relate to Mr. Rebozo?

Mr. BARTH. Right.

Mr. ARMSTRONG. And it doesn't relate to the President?

Mr. BARTH. And I can't say on that. So take it from there, but it had nothing to do with my official responsibilities in any way.

Mr. ARMSTRONG. You don't recall Mr. Gemmill contacting you in approximately June of 1973?

Mr. LENZNER. Or attempting to contact you?

Mr. BARTH. I don't recall that he did.

Mr. ARMSTRONG. Have you directed him to talk to Mr. Johnny Ozchesky?

Mr. BARTH. If Mr. Gemmill said that I did, then I did. But I don't recall it, because I didn't think I'd ever talked to Mr. Gemmill before this year.

Mr. ARMSTRONG. When you spoke to Mr. Rebozo, did you indicate to Mr. Rebozo to contact you if he had any other problems, or if you could be of further assistance, that he should contact you?

Mr. BARTH. I don't know what language I would have used exactly. Conceivably, I could have said something like that, but I don't recall that I did. It would surprise me just by my nature.

Mr. ARMSTRONG. You mean as a gracious gesture?

Mr. BARTH. Yes; just—you know.

Mr. LENZNER. Did you indicate to Mr. Rebozo on whose request you called him?

Mr. BARTH. Oh, yes; because Mr. Ehrlichman said, "Please tell that you are calling at my request."

Mr. ARMSTRONG. Did Mr. Ehrlichman at any time give you any instructions that Mr. Rebozo requested any further information or cooperation or any assistance?

Mr. BARTH. He never gave me any instructions or impressions of that whatsoever. No; just to go ahead and let the agents do their thing.

Mr. LENZNER. Did he ask for any followup as to the result of what their interview might have related—Mr. Ehrlichman?

Mr. BARTH. No; I don't think he did. I don't recall that he did.

Mr. LENZNER. Did you ever learn the substance of the interview and the result?

Mr. BARTH. Yes; as I described before, out of the interview developed the matter of the \$100,000 and the fact that the agents then felt that it would be appropriate to open a separate investigation.

Mr. LENZNER. My question was, did you see a copy of the interview?

Mr. BARTH. No; I don't believe I ever saw a copy of the interview; no.

Mr. ARMSTRONG. Did you have any contact with Mr. Haldeman regarding the Rebozo or O'Brien matter?

Mr. BARTH. No.

Mr. ARMSTRONG. Mr. Higby? Anybody else in the White House?

Mr. BARTH. No; I don't think anybody else in the White House other than Mr. Ehrlichman and conceivably, Tod Hullins or Mr. Ehrlichman's secretary, Janet Ruskin. If Mr. Ehrlichman was out, I might leave a message with one or the other of them, but I don't recall any conversation.

Mr. ARMSTRONG. Did you ever send any materials over to Mr. Haldeman?

Mr. BARTH. I think the only time that I ever sent anything to Mr. Haldeman was a note I sent over to him at one time. I was not getting along, I think, with Mr. Walters or Commissioner Thrower or one of the Commissioners, and I called over and said, "Help." Something like that. I felt I was being eased out or something like that. I don't recall any other communications. I do remember another communication, but it was on the security liaison with the First Family. There was a non-tax-type thing. Security liaison responsibility the Secretary had given me to help coordinate with the Secret Service and the First Family. And I felt that there were some personality problems that had to be resolved.

Mr. ARMSTRONG. This was an additional duty that you were assigned?

Mr. BARTH. Yes.

Mr. ARMSTRONG. While you were assistant to the Commissioner?

Mr. BARTH. Yes.

Mr. ARMSTRONG. So this would have been after June of 1972, Secretary Shultz?, I assume, office, and around the 10th.

Mr. BARTH. That's where I get confused, because I thought Secretary Connally left in 1971. He couldn't have because Senator Kennedy was there.

Mr. ARMSTRONG. I think Secretary Shultz remembers it as being about a week before Watergate.

Mr. BARTH. OK. I'll have to remember that.

Mr. ARMSTRONG. What was Mr. Haldeman's response to the first request for help?

Mr. BARTH. I don't think I got a response. I don't believe I got one or else I would guess sometime in 1970 or 1971. But it seems to me the only response I got was a call, maybe from Larry Higby or someone, saying that we got your message for help; we are with you and we won't let you be fired or transferred or something like that.

Mr. ARMSTRONG. Were there subsequent policy issues that were a matter of contention at that time between you and the Commissioner?

Mr. BARTH. If I could remember what Commissioner it was, I could perhaps remember. But for Commissioner Thrower, I think it would be over the problem of the manner in which the service proceeded on the *Green v. Connally* case, which is the private school ruling. It may have been then, if it was Commissioner Walters. It was just because I didn't think Commissioner Walters cared for me. You know, we just didn't hit it off.

Mr. ARMSTRONG. Did you ever have any other professional relationship with Mr. Haldeman?

Mr. BARTH. Not to my recollection.

Mr. ARMSTRONG. Did you ever prepare Mr. Haldeman's tax returns?

Mr. BARTH. It seems, maybe back in 1969 or 1970, somebody over at the White House asked me some tax questions. But as far as preparing his return, I don't believe I prepared returns for anybody over there, but I may have answered some tax questions. Again, I can't recall if that would have been Haldeman or Ehrlichman or somebody up on the Hill, a Congressman or Senator or something. But I would occasionally get requests for tax information. I don't recall that I prepared anybody's return in toto.

Mr. ARMSTRONG. Did you have any contact with Mr. Kalmbach or Mr. DeMarco?

Mr. BARTH. Mostly with DeMarco. He would deliver the President's tax returns.

Mr. ARMSTRONG. Directly to you?

Mr. BARTH. Yes; or I would go over to the White House and pick them up after they had been signed. I would usually go over with the director of our systems development branch, one of our data processing directors, who would then physically take possession of them, and they would be processed through the service center and so on.

Mr. ARMSTRONG. Did you have any contact with him for any other purpose than receiving the returns?

Mr. BARTH. I don't know when he came in because as you are aware, I wrote some memos—two, or at least one memo, that I recall—to John Ehrlichman on some tax questions that he had.

Now, whether DeMarco was involved in that time or whether I talked to him on the phone about it, I don't know what date he became

involved. I think he would have been involved by then. You know, I may have talked to him about the advice that I had been giving him.

Mr. ARMSTRONG. Well, he handled the President's tax problems from August 1969 on, didn't he?

Mr. BARTH. Yes, but I can't remember the date of my memo to John Ehrlichman.

Mr. ARMSTRONG. Is this a memo that is an exhibit in the joint committee report?

Mr. BARTH. I think that's the one. It is the one that was in Jack Anderson—

Mr. LENZNER. Were there any other political leaders, such as Mr. O'Brien of whom Mr. Ehrlichman requested information on?

Mr. BARTH. Not to my recollection, no. I don't recall that he ever asked me for any.

Senator MONTOYA. Did he ever ask of anybody else in Internal Revenue that you know of?

Mr. BARTH. Not that I know of.

Mr. LENZNER. Did you have any contact with Mr. Colson?

Mr. BARTH. If I ever got any, a memo from Mr. Colson, I don't recall it. I doubt it. I met Mr. Colson once in my life and the occasion of that was in early 1973, when I went over with a potential candidate for Commissioner of Internal Revenue to meet with Mr. Colson, who was going to try to help this candidate. That is the only time that I believe that I have ever either met him or talked with him.

Mr. LENZNER. So as far as you know, you have no recollection of requests from him or his office?

Mr. BARTH. I don't recall, but when a request would come in, I have had so many requests from the White House, different agencies and Congressmen and Senators over a 4½-year period, that I don't want to give you an absolute "No" that I never had one. But I don't recall any, and if I did get any, I know nothing sticks in my mind about any such request from him.

Mr. LENZNER. Did you have any recordkeeping procedure by which you could retain some memorandums of different requests?

Mr. BARTH. No. The procedure was, if a request would come in, we would ship it down to the Assistant Commissioner of Compliance and have it worked by the career people in the normal course of things. So I didn't keep a log, in other words, of incoming requests or any particular file or anything like that.

Mr. LENZNER. When you sent the request down with a memo, did you send it down with a cover memo?

Mr. BARTH. Depending on what it was. Sometimes I would, sometimes I wouldn't. Say a memo came from the White House attached to a constituent's letter saying that I'm being abused. That type of thing. Whatever it was it would just depend on the particular incident, and I could put a slip in or not. It would just vary. I have no particular pattern other than the fact that I attempted at all times to work through the assistant commissioner involved, whether it is technical, compliance or whatever, or someone on his personal staff. So that the career people would know of the inquiries that I was making.

And one unusual deviation from that was my early request to—well, actually, I went to the assistant commissioners or somebody in inspec-

tion or somebody on the staff, and even that was an exception. But I tried to let the career assistant commissioners know exactly what I was requesting out of their own shops, rather than go around them.

Mr. LACKRITZ. Do you recall F. Donald Nixon's name arising in any sensitive case reports prior to the incidents that you have described?

Mr. BARTH. No. I'm trying to remember if the joint committee asked me the same question, and I could not recall anything earlier on Donald Nixon. But I don't remember anything significant on it. But I do remember being asked the question before.

Mr. LACKRITZ. Do you recall having any knowledge of any prior audit of Mr. Nixon's returns back in 1969 or 1970?

Mr. BARTH. I don't have any recollection of it, but that is precisely the question that had been asked of me before, and I don't have a recollection. But I now have an assumption that perhaps there was such an audit because I was asked the question before.

Mr. ARMSTRONG. Is there anything else that you did or that you learned of that was relevant to the IRS' concern to Mr. Rebozo?

Mr. BARTH. Nothing that I recall. I have gone over pretty much all the information that I have on it.

Mr. ARMSTRONG. Do you have any other information that was available to you other than what was contained in that sensitive case report?

Mr. BARTH. Well, reports, plural, because you recall there was a series of reports, some under the name Meier apparently, and then they switched the names. Other than that, verbal report, whether that was from Hanlon or whatever, whomever, the results of that interview and the request that they set up a separate investigation, a question of where it came, I don't recall any other information that I have seen or heard or whatever.

Mr. ARMSTRONG. Did Hanlon ask you to take that question up with the Commissioner, whether or not it should be separate?

Mr. BARTH. He may have. I don't recall how it came up, but it was to Commissioner Alexander. I'm quite sure it was after Commissioner Walters left.

Mr. ARMSTRONG. Do you recall what the issues were in determining whether it should be a separate project?

Mr. BARTH. No. I think it was more a question of what would be most convenient to those in the project, of those handling the case and how related it was to what the general project was on Hughes or whether it was really just a spinoff, as for example, any investigation that might have been undertaken on Larry O'Brien, if what I had found had not—in my first investigation of Lawrence O'Brien's returns had turned up something, I think that might have been something, a spinoff into a local region, wherever Mr. O'Brien lives, is supposed to be handled by agents out in Las Vegas, because of the geography of the thing.

Mr. ARMSTRONG. Was the issue only a manpower allocation issue or was there also a discussion of the level of effort and the secrecy to be involved in handling the investigation of Mr. Rebozo?

Mr. BARTH. I don't recall a concern about that. I don't recall who was doing the discussion other than that Commissioner Alexander was involved. I don't recall if Hanlon was there or not, but I don't recall if there was a concern about secrecy or anything else, because it was

already in the sensitive case reports, things adverse to Mr. Rebozo. There was no concern there. And that had been going on for over a year. His name had appeared for over a year coming up through channels, through the district director, through the regional commissioner. Dozens and dozens of people had been seeing this stuff on Mr. Rebozo. I don't think it was a concern over secrecy.

Mr. ARMSTRONG. Was there any plan or any plans to handle it in any special way out of the Jacksonville office?

Mr. BARTH. No; I think it was to be handled as——

Mr. ARMSTRONG. As a routine case, investigation?

Mr. BARTH. No; I think it was to be handled by special agents.

Mr. ARMSTRONG. In a routine manner for a significant criminal case.

Mr. BARTH. Yes. Right. But my recollection is that they were having special agents in on it right from the beginning. But I may be wrong on that, but it was to be handled in the routine fashion by the Jacksonville office.

Senator MONTOYA. On Mr. Rebozo?

Mr. BARTH. On Mr. Rebozo, right.

Senator MONTOYA. Now just a minute. There must have been some audit report that triggered the presence of the special Internal Revenue agents. They didn't just go in there and assume that he was subject to some kind of criminal prosecution, did they?

Mr. BARTH. No, sir. As we discussed, perhaps in your absence, Mr. Rebozo's involvement came out as a result of the Hughes project. They went and interviewed him.

Senator MONTOYA. I understand that.

Mr. BARTH. But it was out of the interview.

Senator MONTOYA. But that doesn't per se trigger the Revenue agents to find out whether there's a crime involved, does it? Usually the first step is an audit, isn't it?

Mr. BARTH. Normally, yes. Normally, it is. But in this case it was picked up out of the Hughes project, out of the interview of this.

My recollection that the way that this investigation began, it was not from looking at Rebozo's returns, but rather from their conversation. He mentioned, "I got \$100,000 and I have it in a safe-deposit box." This sounds crazy.

Senator MONTOYA. What circumstances were present as a result of the preliminary findings that might indicate that he might be subject to criminal prosecution?

Mr. BARTH. The fact that the agents were told by him—and this is my recollection—is that he told the agents that he had gotten \$100,000, or whatever it was, and he'd had it a number of years sitting in the safe-deposit box.

And the agents, they said, "We feel an obligation to find out whether this is really campaign funds or whether it should be his personally. And if it is his personally, and he didn't report it, it could turn into a criminal case."

Senator MONTOYA. Was there any other audit information by auditors other than Revenue agents prior to that?

Mr. BARTH. Not that I know of. It was purely out of that one interview. One or more, I don't know.

Senator MONTOYA. How did you get the information about the \$100,000 then?

Mr. BARTH. That I don't know. The first I heard about the \$100,000 was after they came back from the interview in the Commissioner's office. There was a discussion, not with the agents themselves, but the Assistant Commissioner.

Senator MONTROYA. The point I am trying to make is there must have been some specific information which had a vein of criminality out of some audit report before the presence of the special Internal agents was called.

Mr. BARTH. Well, I'm not sure if the agents who originally went to him were special agents. In other words, the interview that was set up after my conversation with Mr. Ehrlichman when he said, "Go ahead and tell the agents to go ahead." I don't know if those were special agents or Revenue agents, but those agents went out for the purpose, as I understand it, of asking Mr. Rebozo whatever he knew about the Hughes Tool Co. and these mining claims and whether he had conversations with Meier and somehow, out of this conversation out of the Hughes project, they elicited from him, apparently, information that he had had this \$100,000 sitting in the bank, or the safe-deposit box, or something, for a period of years.

Mr. SCHROEDER. I think for clarification, if I understand you, with your concern for the normal IRS procedure, as I understand it to be also, where we are probably breaking down somewhere is that I am getting the impression that the witness is speculating as to what he thinks happened, and you're asking factually what happened to prompt this final result.

Mr. BARTH. In that case, Senator, I really don't know what there was to it.

Mr. ARMSTRONG. Maybe this will help. If it does or doesn't, let me know. As I understand it, and I'm not sure this is information in Mr. Barth's possession, Senator, but the special agents who originally interviewed Mr. Rebozo were already involved in the criminal investigation of the Hughes-Maheu operation, and that's how special agents happened to be coming to Mr. Rebozo. Initially, they weren't working on him; they were working on this Hughes investigation.

I am sure it had gone through all of those normal steps in the months the special agents had talked to Mr. Rebozo and found out that he had allegedly retained \$100,000 over in the safety deposit box. They recommended that up through channels.

Senator MONTROYA. I recognize that. I recognize that you had a report which you discussed with Secretary Shultz on the Hughes matter and which report contained information about Rebozo. Right?

Mr. BARTH. Yes, sir.

Senator MONTROYA. And this report had been compiled pursuant to an audit?

Mr. BARTH. Of the Hughes Tool Co.

Senator MONTROYA. Which also involved Rebozo, and necessarily because his name appeared in that report, didn't it?

Mr. BARTH. Yes, sir. Right.

Senator MONTROYA. And then from the reading of this report, immediate decision was made to send some Internal Revenue agents down to see Rebozo?

Mr. BARTH. Yes, sir. Right.

Mr. ARMSTRONG. Was there any discussion with the Commissioner as to what particular agents would be assigned to Rebozo? In other words, was this something that was allocated for some particular skilled or specialized personnel?

Mr. BARTH. Not that I recall.

Mr. ARMSTRONG. I assume that would be highly unusual.

Mr. BARTH. I don't know the names of any agents myself. I cannot remember the name of the agent who audited me.

Mr. ARMSTRONG. Subsequent to setting it up as a separate Jacksonville project, did you have any contact whatsoever with that project once it began?

Mr. LENZNER. Can we just interrupt for a second? Senator Montoya has to go.

[A brief recess was taken.]

Mr. ARMSTRONG. Any other contact after it went down to Jacksonville?

Mr. BARTH. Not that I recall.

Mr. ARMSTRONG. Any reports, even scuttlebutt?

Mr. BARTH. None that I received, and as far as sensitive case reports are, it was at the time when I was moving out of the sensitive case report area, and we had a new Commissioner and a new Assistant Commissioner, and he took it over.

I had been Deputy Chief Counsel since the preceding October/November, and for a period of 3 or 4 months thereafter, until the new Commissioner came on, I continued with the sensitive case reports. But then once Alexander came on, I was able to get out of that.

Mr. ARMSTRONG. So it would have been sometime in the late spring/early summer of 1973 when you stopped being involved with the sensitive case reports?

Mr. BARTH. It would have been around April or May of 1973, whenever Alexander was sworn in.

Mr. ARMSTRONG. Now, regarding the O'Brien matter, was there any other information there that would be helpful, anything that is relevant there? Did you have any other sources other than his tax return on one occasion and the sensitive case report?

Mr. BARTH. No. I think those are the only documents that I had. Well, is the partnership—I think it was a partnership return that he was involved in—those to the consulting firm. And I had those returns.

Mr. ARMSTRONG. Those are the Joseph Cafall Associates?

Mr. BARTH. Yes, I think that was the name of it. But it was a partnership that he was involved in.

Mr. ARMSTRONG. Now, you didn't get any other additional information from anyone in the field or anyone else in the IRS?

Mr. BARTH. No, I don't believe I had any other additional information because I was trying to keep it confidential.

Mr. ARMSTRONG. Did you have any information from Caulfield on this subject?

Mr. BARTH. I don't recall discussing it with Caulfield or getting any information from him.

Mr. ARMSTRONG. Was there anyone else that you would consult, you might have consulted with inside the Internal Revenue Service other than speaking with someone in the central office, perhaps, within the Washington central office?

Mr. BARTH. In effect, the audit I did of his returns, no. Just people in the inspection of the return. And then I'm trying to think. I assume I mentioned it to the Commissioner, who the Commissioner would have been—Walters, but then I don't recall specifically mentioning it to him, but maybe I did. I don't know. But there would have been nobody else that I would have mentioned it to in IRS.

Mr. ARMSTRONG. Have you had any contact with or did you ever receive information on other occasions from Mr. Acree?

Mr. BARTH. Yes. I think the Billy Graham case came from Acree, the one that I discussed earlier.

Mr. LACKRITZ. Before we get into that, Mr. Barth, I am assuming from your previous answers that you were not aware of the interview conducted in May 1972, by special agents of the Internal Revenue Service of Mr. Richard Danner. Is that correct, that you were not aware of that interview of Mr. Danner in May of 1972?

Mr. BARTH. I remember the name Danner associated with the Hughes project.

Mr. LACKRITZ. Did you have any knowledge that Mr. Danner told the Internal Revenue agents in May of 1972 that he had given \$100,000 in cash to Mr. Rebozo?

Mr. BARTH. I don't recall that, and the only way I would have known it is if the sensitive case reports I prepared would reflect it. I don't recall it.

Mr. LACKRITZ. But you do not recall that information?

Mr. BARTH. No, I don't. It would be just speculation for me to say other than the fact that it was the sensitive case reports, I would have seen it during that period of time. But other than that, I don't recall it.

Mr. LACKRITZ. Then do you recall the first time that you were aware of the allegation that Mr. Rebozo had received \$100,000 in cash?

Mr. BARTH. I think the first time that I heard it was after that interview in 1973.

Mr. LACKRITZ. After the May interview?

Mr. BARTH. April or May. Whenever it was, because that was the reason why they wanted to open a criminal investigation.

Mr. ARMSTRONG. You can pursue it a little further, if you want to. Was there any other information in the Hughes area that would be relevant for us to know? Did you have any other concerns or contacts related to the Hughes Tool inquiry?

Mr. BARTH. I don't recall any other contacts other than what we have gone through here.

Mr. ARMSTRONG. What about on Robert Maheu? Anything?

Mr. BARTH. No. He was just one name, I think, that was involved in the whole mish-mash in that project. But I don't remember anything specific on Robert Maheu.

Wasn't he the guy who was the head of it or the head of the tool company or something out there? The head of Las Vegas operations or something?

Mr. ARMSTRONG. Right. The Post.

Mr. SCHULTZ. Who prepared this sensitive case report originally?

Mr. BARTH. There are—and I hadn't realized this until sometime after I had been in IRS—there are apparently two sets of them. One

set is prepared in the field by the Revenue agent who is working the case. They, I think, have the responsibility for initially preparing the report, and that goes up through channels to the district director to the regional commissioner and then into the National Office to the Office of the Director of Audit, if it is a regular audit case; the Director of Intelligence division if it is a criminal case, and the Director of the Collection Division if it is a corrections case. Those are the three primary areas that the sensitive case report deals with.

Mr. SCHULTZ. And what is the agent's name who prepares the sensitive case report audit for its travel through the Internal Revenue Service?

Mr. BARTH. I am not sure, because I usually do not see those that come up from the field. When they get to the Division Director, then apparently they not only weed out the ones that they don't think are relevant enough to call to the Commissioner's attention, but they also rewrite them, as I understand it.

Mr. SCHULTZ. Where did you get the Hughes project sensitive case report that you made reference to today?

Mr. BARTH. These would have been the ones that came from the Assistant Commissioner of Compliance. I don't think I ever saw any that were——

Mr. SCHULTZ. Did they ever come to you in the original shape or as summaries?

Mr. BARTH. There is no way that I know of as to what was in them originally or whether they were taken verbatim. I have no way of knowing.

Mr. SCHULTZ. So if someone in Compliance exercises some judgment as to what is, in fact, within the scope of what is going to be publicity and what is going to be of interest to you and what you should call to the attention of your supervisor, if he exercises some judgment to that, he can cut it down or just give you the raw report or whatever?

Mr. BARTH. Yes. That is their function, and for a long time after I was at IRS, I didn't realize that there was this intermediate process. I sort of assumed that these were the original ones from the field.

So they have total discretion. They can ignore a report completely. If they wanted to, they could cut it out and I would never see it.

Mr. SCHULTZ. And then you would make a judgment as to which of those reports referred to you, you would take to your boss and maybe to the Secretary or the White House or whatever.

Mr. BARTH. Yes. Well, what I would do, I would take them off and I would usually put paper clips on the ones that I thought were of particular significance as far as going to the Commissioner and the Secretary is concerned.

Mr. SCHULTZ. Now the purpose of a sensitive case report is to alert somebody to the possibility of a complaint or the possibility of publicity reflecting on IRS.

Mr. BARTH. Or the possibility of adverse publicity by virtue of somebody being appointed to a position. I had that happen once in a sensitive case report of a guy who was a high Government official about to be appointed to a higher position, and bingo, he got zapped.

Mr. SCHULTZ. I take it that the sensitive case report means raw data. In other words, allegations; unverified information.

Mr. BARTH. They are all allegations. I can't say all, but some of it is factual, like the fact that we have referred a case to regional council for possible prosecution. But in its initial stages, it's just the agent's analysis of it combined with the analysis of that—of the international office of career guidance and compliance.

Mr. SCHULTZ. And the Hughes project sensitive case report, which we talked about today, there was an allegation concerning something that Mr. Rebozo may have done, telling somebody to stay away from IRS.

Mr. BARTH. And it was in terms of an allegation.

Mr. SCHULTZ. In terms of an allegation, an unverified report; merely an allegation?

Mr. BARTH. That is my recollection.

Mr. SCHULTZ. And you also mentioned, in the same report, there were the names of F. Donald Nixon, and perhaps Ed Nixon. Was there an allegation against them, or were they merely in there by reference as relating to something in Hughes, or what?

Mr. BARTH. I was trying to recall. Marc asked me a similar question earlier. I don't remember the exact context in which those other names appeared, but it was a context that was not a favorable context, as I recall. That was one reason for the concern.

Mr. SCHULTZ. Let me ask this. Did names ever appear in your Hughes project since the sensitive report, for which there was no derogatory information and no specific allegations? For instance, you've named Senator Humphrey, Senator Cannon, or Senator Church. Are we to conclude that there was some derogatory information or some allegation against the Senators, or is that even a fair inference?

Mr. BARTH. There would be a reason for it. Usually, there would be a reason for the name being in there. But I just don't recall the specifics of what were involved with those other Senators, but usually there would be something in there. There would be a reason for it to be in there.

Mr. SCHULTZ. Did Mr. Ehrlichman make any inquiry of you, as it related to the reference to Senator Humphrey? Did he need further information about that?

Mr. BARTH. No, I don't believe so, because I don't think there was anything. I just have a recollection that it was vague and that it wasn't anything specific; it wasn't an allegation of a dollar amount being transferred, or anything like that.

Mr. SCHULTZ. Was, at least, the dollar amount spelled out with enough specificity that he didn't ask you in return whether or not this was a contribution, or in contribution?

Mr. BARTH. No. As I said before, my recollection was that it wasn't spelled out as to what it was, and that was the reason for inquiry. It was a payment, you know, it was a payment.

Mr. SCHULTZ. I'm not talking about Mr. O'Brien now. I'm talking about what other reference was made to Senator Humphrey, or Senator Cannon. Were you asked for further information, or was it insufficient?

Mr. BARTH. No, I was not asked for any further information. As I recall, those gentlemen, and I can't recall what the reference was, the asked-for specification was.

Mr. SCHULTZ. Would it have been self-explanatory?

Mr. BARTH. Yes, it could well have been.

Mr. SCHULTZ. So that, really, these sensitive case reports refer to the Hughes project. The only thing that was not really explained was the \$300,000 and the connection with Larry O'Brien?

Mr. BARTH. To the best of my recollection, yes; that was the only open question that I saw, other than the fact that there was an allegation that was left open as to whether Mr. Rebozo did ask somebody to stay away from IRS. That was an open question, but I wasn't asked to pursue that. But that would have developed in the normal course of things in the investigation. That was something that would have been——

Mr. SCHULTZ. If you were asked to get more information on that, you couldn't have gotten it from a tax return?

Mr. BARTH. No, we couldn't. It only could have been developed by the field people.

Mr. SCHULTZ. And so, you would have had to go back to the field agent who wrote the report, and say——

Mr. BARTH. And say yes, a follow-up.

Mr. SCHULTZ. But the one thing that was asked by Mr. Ehrlichman, and was not explained in the report, was the \$300,000, or that general figure, which related to Mr. O'Brien, which was not explained?

Mr. BARTH. That seemed to be the only thing that was in there that was not explained, and that I would have, at least within my own mind, a reason for checking on. But checking in a discreet way, so that I did not give the impression of intrusion in the case. The other stuff would have developed as time went on, but this would not necessarily have developed. Agents would not necessarily pursue the question. They might not have thought of the question, of maybe, this is a political contribution in violation of the Corrupt Practices Act.

Mr. SCHULTZ. Were there any other names in this report lacking sufficient explanation, and about which Mr. Ehrlichman asked you to find out additional information?

Mr. BARTH. I don't recall any other items in there that weren't self-explanatory.

Mr. SCHULTZ. Can you make a general statement that, if a name is in a sensitive case report, that it necessarily follows that there is derogatory information about them?

Mr. BARTH. No, I don't think so.

Mr. LACKRITZ. No, that you cannot make such a general statement——

Mr. BARTH. No, I could not make such a general statement.

Mr. SCHULTZ. I guess I don't see the significance here to further inquiry of Mr. Ehrlichman. It is something that is unexplained, and apparently everything else would explain it. I'm just trying to get the significance of the questions that have been asked here.

Mr. LACKRITZ. Do you have any further questions. Dick?

Mr. SCHULTZ. Was the source of the allegations made in the sensitive case report named or identified in any manner?

Mr. BARTH. I am sorry. I do not recall one way or another.

Mr. SCHULTZ. Well, is it general practice?

Mr. BARTH. Not necessarily, but there would be nothing that would indicate that it could not be.

Mr. SCHULTZ. Did Mr. Ehrlichman ask you to identify the source of the allegation against Mr. Magruder?

Mr. BARTH. No, he didn't ask me to do anything with it.

Mr. SCHULTZ. With the exception of verifying the nature of \$300,000 reference in the report, he instructed you to do nothing further except keep them advised?

Mr. BARTH. Keeping them advised.

Mr. SCHULTZ. Handling the investigation in the normal course of the IRS investigation?

Mr. BARTH. He didn't even say that, because the investigation goes on.

Mr. SCHULTZ. I thought he said that he called you back after he had advised the President, and said, "Go ahead with the interview of Donald Nixon and —"

Mr. BARTH. I am sorry. I thought you meant in the 1972 inquiry. But on the 1973 inquiry; on the 1972 one, he gave me no instructions to continue the investigation, because the investigation was going to go on.

Mr. LACKRITZ. Mr. Barth, when did you first meet Mr. Jack Caulfield?

Mr. BARTH. I think sometime in 1970. I think he was working over in the White House, and somehow or another—I don't recall exactly how I met him.

Mr. LACKRITZ. Could you relate to us the kind of relationship that you had with Mr. Caulfield, and the kinds of requests he would make to you, and the kind of information that you would provide to Mr. Caulfield, if you could generalize?

Mr. BARTH. Generally, you see Mr. Caulfield was basically interested in the operations of our narcotics program, the organized crime drive, the alcohol-tobacco-firearms division operations, this type of thing; and we had conversations about that. I don't know how long it was after I met him, but he expressed an interest in coming over to head up ATF and get a job with IRS. So, as a result, he was interested in the programs of that division.

Mr. LACKRITZ. Did he ever make a request to you for specific information on taxpayers?

Mr. BARTH. I don't recall that he did, but I wouldn't be surprised that he might have occasionally asked me for something. But I don't recall any specific instance where he did. He was working—I'm not sure exactly for whom. I think for Ehrlichman, but I don't know what his—for Dean—I don't know his direct line of control. But he was working for someone in a position of authority, such that he could get tax information, if he wanted it, under our view of disclosure laws.

Mr. LACKRITZ. Were there written instructions from Mr. Caulfield when he requested tax information?

Mr. BARTH. No. It is only when tax returns themselves are requested from the White House.

Mr. LACKRITZ. In other words, there is a distinction between the provision of actual tax returns and the provision of tax information?

Mr. BARTH. Right, and every time I had to discuss a sensitive case report with Mr. Ehrlichman, I wouldn't request that he give me a written request.

Mr. LACKRITZ. This would be in the President's—

Mr. BARTH. But, if he were to ask me for a tax return, I would ask Mr. Ehrlichman for the same kind of line that we got from Mr. Mollenhoff.

Mr. ARMSTRONG. Does that extend to every White House employee? In other words, do you use your own discretion?

Mr. BARTH. It is a matter of discretion, but I think we held it back pretty tight, in my view, and kept it to those people on the immediate staff, or close to one of the people who had what we understood to be a lot of access to the President; that is Ehrlichman, Haldeman. I was under the mistaken impression that John Dean had more access than he apparently did. The people working directly for those people—if they called up for some type of tax information—chances are I would give it to them, depending on what it was. But in terms of people sending over a buck slip saying, "Constituents being harassed," the response that would go back would usually not be too specific. It would be the same as we would with a Senator or a Congressman. We would limit our response, that they would, in turn, pass on to the constituent the amount of information contained in the initial inquiry, if it were somebody way down on the staff.

Mr. ARMSTRONG. That included Fred Fielding, Darlene Moulds, Pete Kensington, David Wilson, Fred Malek, Stan Anderson?

Mr. BARTH. Malek and Anderson would not have—well, excuse me. They, through their personnel roll, if there was somebody up for a job and there was adverse tax information on them, then I would feel that they would be entitled to know what that is. But if it was somebody not up for an appointment, or something like that, no, there would not, in my view, be any information.

Mr. ARMSTRONG. Al Kaupinen?

Mr. BARTH. Al Kaupinen, yes. He, too, was in the personnel shop.

Mr. ARMSTRONG. Bob Brown?

Mr. BARTH. Bob Brown was the Director of Minority Affairs and he called quite a bit, because the IRS had a lot of problems, collection problems usually, from minority enterprises. There the response would be pretty much geared to the nature of the information that he initially brought me.

"IRS is going to close up this business tomorrow and this is terrible. Your SBA has got to give him a loan, and you nasty people are going to close up this enterprise." I'd say, "OK, I'll check into it. I'll check with the appropriate division." They report back and say, "OK, we think we can give these people another 30 days if they give us such and such security." Well, then I would feel free to call back to Brown and give him that result.

Mr. ARMSTRONG. Paul Lavarkas?

Mr. BARTH. He worked for Bob Brown, same thing.

Mr. ARMSTRONG. Jack Caulfield and Tom Huston?

Mr. BARTH. Yes, right.

Mr. ARMSTRONG. Does that pretty much comprise the list of people—Bud Krogh?

Mr. BARTH. Krogh didn't have much to do with it.

Mr. ARMSTRONG. Ed Morgan?

Mr. BARTH. He had very little to do with it—minimum.

Mr. LACKRITZ. Now, do you recall any specific request by Mr. Caulfield to obtain information on an individual by the name of Larry—Larry Goldberg. G-o-l-d-b-e-r-g—in the fall of 1971?

Mr. BARTH. I don't recall such an inquiry and the name doesn't mean anything to me.

Mr. LACKRITZ. If Mr. Caulfield were to make a request to you for specific information from tax returns, actual tax returns of this specific individual, but the information was not the entire return, only a portion of it, either attached schedule or some other attachment—

Mr. BARTH. Just an item for example.

Mr. LACKRITZ [continuing]. Would you invite that information to Mr. Caulfield, if it were a request?

Mr. BARTH. Yes; I would feel that legally I would not only be able to, but I would be required to. Usually in such an instance though, I would probably know why or I'd make some attempt to make sure that there was a valid purpose for it.

Mr. LACKRITZ. When you say "valid purpose," what would that encompass?

Mr. BARTH. A guy was going to be appointed to something.

Mr. LACKRITZ. A governmental job?

Mr. BARTH. Or there was an allegation that John Doe received some money and information would come in that he, in fact, report that money, or something like that.

Mr. LACKRITZ. What about if an individual is being considered for employment on the Committee To Re-Elect the President, would it be appropriate to forward tax information of the individual to the White House?

Mr. BARTH. It would be legal.

Mr. LACKRITZ. Would it be appropriate?

Mr. BARTH. Appropriate to get information similar to a type X? I suppose it would, under the same concept that a sensitive case report is intended to prevent embarrassment to the President.

Mr. LACKRITZ. What about the party out of power requesting that kind of information about people who have been considered for—

Mr. BARTH. I couldn't legally give that, and that is the same thing that was true of prior administrations.

Mr. LACKRITZ. I'm not questioning that. So what you are saying is that an incumbent running for reelection would have prerequisites not available to an opposition party in the area of tax information?

Mr. BARTH. In that area, yes.

Mr. SCHROEDER. By "incumbent" do you mean the person who occupies a position in the executive branch of Government?

Mr. LACKRITZ. Yes. But you recall no specific request from Mr. Caulfield to provide the schedule of charitable contributions by Mr. Larry Goldberg for the years 1970—1969, 1970, and 1971? You don't recall?

Mr. BARTH. I have been asked this before. It seemed to me that somebody asked—maybe I just had a question. Maybe again, I may have had

the same question asked, but it rings a bell, the idea of getting certain information on charitable contributions, but the name doesn't mean anything to me.

Mr. LACKRITZ. Well, do you recall actually clipping a schedule of charitable contributions and sending it over to Mr. Caulfield?

Mr. BARTH. I don't recall actually doing it, but I wouldn't preclude that I could have, either Caulfield, or Dean, or Ehrlichman, or somebody. I have a vague recollection of it really, but I don't—the name doesn't mean anything to me.

Mr. LACKRITZ. To refresh your recollection, let me just show you the actual tax return schedule from the returns. Do you recall getting this at all, or sending this over to Mr. Caulfield?

For the record, this is identified as tab 12* documents that have previously been entered into the record in the Caulfield executive session, the documents the witness is presently looking at, the list of charitable contributions for Lawrence and Rosalee Goldberg for the years 1968, 1969, 1970, and I believe, 1971—no, just 1970.

Mr. BARTH. I may have sent that over.

Mr. LACKRITZ. It's possible that you sent it over, but you don't have specific recollection?

Mr. BARTH. It's possible I sent it over, but I have no specific recollection.

Mr. LACKRITZ. Did you ever receive a request from Mr. Caulfield to inquire into the nature or status of any tax-exempt organizations, that you can recall?

Mr. BARTH. I may well have, because I have had a number of inquiries on whether an organization is a C-3 or a C-4, primarily.

Mr. LACKRITZ. Where would those inquiries generally come from, the White House?

Mr. BARTH. As many from the Hill. There are more from the Hill than would be from the White House, and they basically, contained questions about publicity of an organization appearing in the papers. And the inquirer, whether he's a Senator or a Congressman, or somebody in the White House, would say: "Can this organization do this? Are they exempt under section 501 C-3 of the Internal Revenue Code?" in which case they are precluded from lobbying and political parties and activities, or "Are they C-4?" in which case they aren't so restricted.

Mr. LACKRITZ. Do you recall a specific request from Mr. Caulfield, Mr. Buchanan, Mr. Dean or Mr. Ehrlichman, or anybody else in the White House, to specifically look into the issue of the preponderance of liberal-oriented, tax-exempt foundations?

Mr. BARTH. The preponderance of them?

Mr. LACKRITZ. The existence of a good many tax-exempt organizations. Did the question ever arise for you to look into taxes and foundations to determine if there was a bias toward liberal organizations, or to check on any specific liberal organizations?

Mr. BARTH. I have had inquiries on organizations—as I recall an inquiry on whether Brookings was a C-3 or a C-4—Brookings Institution.

Mr. LACKRITZ. Do you recall who it was from?

*See Book 24, p. 9796.

Mr. BARTH. No; I don't.

Mr. LACKRITZ. Do you recall when it was?

Mr. BARTH. It's just one I've been asked about before, that's why I recall it. Let me see if I can think of any others. And, of course, you are familiar with the Huston memorandum on the activist organizations and the response thereto from IRS. And of course that response is prepared by career people.

Mr. LACKRITZ. Do you recall any specific request from Mr. Caulfield, to you, to look into the background of a group called the Fund for Investigative Journalism?

Mr. BARTH. He may have because that name rings a bell. I think—aren't they located here in Washington?

Mr. LACKRITZ. I think they may be, I'm not positive.

Mr. BARTH. The name rings a bell. Whether anybody else did, I don't know.

Mr. LACKRITZ. Or the Phillip Stern Family Fund, do you recall any inquiry on that?

Mr. BARTH. I recall an inquiry on that, but I don't know whether it was from Caulfield, or whether it was from Dean, or somebody on the Hill. I don't remember where that inquiry came, but I remember the name of that Stern Fund. I remember some question as to whether that was tax exempt or not.

Mr. LACKRITZ. Do you recall asking, February 1972, for an investigation to be done on the Fund for Investigative Journalism, to determine whether or not they filed adequate returns, and whether or not they properly kept records for their tax-exempt status?

Mr. BARTH. I don't recall such a request, but it certainly wouldn't surprise me if I had.

Mr. LACKRITZ. If you would have wanted to initiate such investigation, who would you have contacted?

Mr. BARTH. The assistant chairman on the compliance committee.

Mr. LACKRITZ. What would that have been? Would it have been February 1972?

Mr. BARTH. I think Holon would have been there probably at that time, so it would have gone through his office if I were to make an inquiry as to—well, if it were an inquiry as to whether returns had been filed by an exempt organization, it could well have gone to the Assistant Commissioner for Accounts Collection and Taxpayer Service.

If it were an inquiry on whether an organization had applied for a ruling request on whether it was tax exempt, that could have gone to Assistant Commissioner of Technical, because they're the ones who issue rulings that come to the national office and they're generally the ones that keep the records.

Mr. LACKRITZ. Who is Mr. Bob Connolly?

Mr. BARTH. Bob Connolly? He is a staff assistant to—or was, I don't know—staff assistant to the Assistant Commissioner of Accounts Collection and Taxpayer Service.

Mr. LACKRITZ. And I take it that is the group that is referred to by the acronym of ACTS?

Mr. BARTH. ACTS, yes.

Mr. LACKRITZ. But you don't recall initiating an investigation for the Fund for Investigative Journalism in or around February 1972, through Mr. Connolly?

Mr. BARTH. Through Connolly? The only investigation that Connolly would have been involved in would be as to whether the organization had filed returns, because he is in data processing. So that would be something that anybody could walk in and be entitled to see.

Mr. LACKRITZ. If a group did not file or was delinquent in filing returns, did that not automatically initiate investigations Isn't that correct?

Mr. BARTH. Because we do not have the manpower for it. It should, because any citizen can walk in and demand to see the public portion of an exempt organization return. And if they come in and say, you know, I want it, then it is inquired into and they find the return is not there. That would trigger responsibility for considering an audit and they would refer that over—usually over to the Collection Division.

Mr. LACKRITZ. But you do not recall specifically asking for an investigation to be conducted into the fund for investigative journalism?

Mr. BARTH. No. I recall an inquiry about that organization. I have it in mind that it is located here. But I do not remember contacting Connolly about it. But the only thing I could ask him to do would be to check and see if they had been filing their returns or to ask for copies of the returns as filed. Something like that.

Mr. LACKRITZ. Do you recall any request about the same time into the Association of Student Government—at that same time frame, February 1972?

Mr. BARTH. Not the National Student Association?

Mr. LACKRITZ. Why? Do you recall one from the National Student Association?

Mr. BARTH. No, but that has been a subject of a case report for a long time.

Mr. LACKRITZ. Do you recall Mr. Caulfield making either of these requests?

Mr. BARTH. No, I am sorry. I cannot recall it.

Mr. LACKRITZ. And you do not recall Mr. Caulfield making a request for a fund for investigative journalism?

Mr. BARTH. No. I remember their name coming up, but I do not remember if it was from Caulfield or whether it was somebody on the Hill, or exactly where it was from or what the nature of the inquiry was.

Mr. LACKRITZ. Did the Internal Security Division or Assistant Attorney General Mardian ever request any specific investigations, through you?

Mr. BARTH. I do not recall if they ever did. I know that they have or had a working relationship with that Special Services Group, but that was something I was not involved in. It was a relationship at the staff level within the Special Services Group and the Internal Security Division. I was not aware of that until all the publicity about it which was last year. I did not know they had such a working arrangement.

Mr. LACKRITZ. Again, in February or March 1972, the Jack Anderson column first revealed the existence of the Dita Beard memorandum and the controversy settlement of the ITT case. Did you have any involvement in making inquiries or gathering any information concerning IRS's response or any questions involved in the ITT settlement at that time?

Mr. BARTH. Nothing whatsoever regarding ITT that I recall at any time.

Mr. LACKRITZ. Do you recall making any inquiries to Mr. Verdon concerning whether or not he received any requests or inquiries concerning the ITT matter?

Mr. BARTH. You mean Don Verdon, income disclosure? I do not recall inquiring anything about ITT. That is why I thought I was able to give such an absolute answer but I do not recall anything about it.

Mr. LACKRITZ. Do you ever recall him asking to be advised if there were any congressional inquiries that were mounted?

Mr. BARTH. On ITT? I do not recall such an inquiry.

Mr. LACKRITZ. The day would be March 29, 1972.

Mr. BARTH. The best way I can—the best thing that I can say is that I do not recall it. But Verdon had impeccable records of every phone conversation to him and I would direct it to those records and abide by those records better than my own recollection. But I have no independent recollection.

Mr. LACKRITZ. I am basing the question on records.

Mr. BARTH. Then I would go by whatever the records say, because Verdon was very meticulous in keeping track of them. But I do not recall making an inquiry on ITT.

Mr. LACKRITZ. Presuming that we are going by the records and the records would indicate that you had asked if there had been any inquiries by Congress people concerning the ITT controversy. Do you have any recollection now in terms of who would have asked you to find that information out?

Mr. BARTH. No, because I just do not recall.

Mr. LACKRITZ. Having asked Verdon, would Mr. Caulfield ask you or Mr. Ehrlichman ask you that?

Mr. BARTH. Anybody could ask me that but I do not recall that those gentlemen did.

Mr. LACKRITZ. Do you remember any meetings responding to the questions about ITT that had been raised publicly?

Mr. BARTH. Not that I recall.

Mr. ARMSTRONG. Do you recall Mr. Kleindienst's confirmation hearings when the ITT matter came up and the context?

Mr. BARTH. I recall that time.

Mr. ARMSTRONG. The Jack Anderson columns at that time, Dita Beard?

Mr. BARTH. You know, I do not recall any roll that I had at that time.

Mr. ARMSTRONG. If somebody had called you about the ITT matter, it certainly would have stuck in your mind?

Mr. BARTH. I would think it would have stuck in my mind, but again, to be perfectly candid, so much goes on day to day and so many inquiries that I cannot recall everything.

I am trying to give you my best recollection and I do not recall making such an inquiry even though I readily admit that if Don Verdon came and said he got a phone call from me that said fly to the moon, then I probably called Don Verdon and said, fly to the moon, because he was very good about keeping track.

Mr. LACKRITZ. All right. Do you recall an inquiry about an Anthony Cortez, an individual who wished to donate a gift to the Western White House?

Mr. BARTH. No, I do not recall anything on it. I think I have read about that in the newspaper, but I do not think I read the name. But

I remember reading something in the papers about it. An inquiry that Caulfield made of somebody about whether that guy was on the up-and-up or something like that. Somebody was going to make a gift of something out on the west coast.

Mr. LACKRITZ. But somebody—Mr. Caulfield did not make the inquiry of you?

Mr. BARTH. Not that I recall.

Mr. LACKRITZ. Did you ever receive a request from Caulfield to initiate an Internal Revenue check on the Overview Corp. or Stuart Udall?

Mr. BARTH. I remember being asked about Overview Corp. An investigator, that rings a bell. But I do not recall being asked to check into them.

Mr. LACKRITZ. You have no recollection of that specific request? Did you have any discussion with any individuals at the White House concerning the Newsday investigation of Mr. Rebozo?

Mr. BARTH. Robert Greene, is not that the name you were going to bring up?

Mr. LACKRITZ. I did not ask you that question. I am just curious if you had any discussions concerning that.

Mr. BARTH. No, I do not recall any discussions about that. But I did not instigate any audits of Mr. Greene and so on.

Mr. LACKRITZ. Did you have any discussions with Mr. Caulfield about the means of initiating audits?

Mr. BARTH. I do not believe I did, although I did have lunch with Caulfield a number of times and he could well have asked me, how do you go about initiating an audit, but I do not recall it.

Mr. LACKRITZ. Everything has been blown out of proportion. Is that what you were going to say?

Mr. BARTH. No, I wasn't going to say that. What I was going to say, I think the joint committee report, it seemed to indicate that it would be pretty hard, as a practical matter, to initiate an audit unless you had some firm basis for it.

Mr. ARMSTRONG. And the Overview Corp., just to help you recall, that Stuart Udall was apparently chairman of the board and its chief executive officer and of his consulting firm Overview Corp. and Mr. Caulfield was concerned, I gather, and contacted you to find out with whom the Overview Corp. was doing business.

First of all, whether they had any consulting contracts with the IRS and, secondly, whether or not you can determine, I assume from tax returns, with whom they were doing the consulting and whether or not they would have—he was concerned about the Sears Corp., whether it was open to Sears.

Mr. BARTH. Well, if he inquired of me about it, it was not anything that sticks in my mind. But I could probably give you the answer to it as far as what I would have told him.

Mr. SCHROEDER. I do not want him to get into speculating.

Mr. BARTH. I do not recall the inquiry, and I do not see how I would have gotten the information.

Mr. LACKRITZ. Do you recall in or around March of 1972, being asked or asking—making a request—concerning the Miami Beach Tourist Development Commission? Does that name ring any bell?

Mr. BARTH. No, nothing at all. It does not mean anything to me.

Mr. LACKRITZ. Do you recall being requested by Mr. Caulfield to check on an agency in Miami that was going to be involved with the Democratic Convention in the summer of 1972?

Mr. BARTH. I do not recall any such inquiry. Could you give me the name of the organization?

Mr. LACKRITZ. It is called the Miami Beach Tourist Development Commission and it would have been the agency that would be involved in helping the Democratic Party set up for its convention that summer.

Mr. BARTH. I do not recall such an inquiry.

Mr. LACKRITZ. There is a memorandum, dated March 15, 1972, which indicates that you were advised that the Jacksonville office reported no record on the Miami Beach Tourist Development Commission which would indicate that you made an inquiry about it earlier. That is the reason I am just asking you about it now.

Mr. BARTH. And that is probably the reason why I would not have remembered because there was no such record on them. I do not remember such an inquiry.

Mr. LACKRITZ. Did you have anything to do with setting up the Republican Convention in the summer of 1972? Anything at all connected with people asking advice, asking for their income tax refund applications or setting up an independent corporation to handle or cater the convention?

Mr. BARTH. Not that I recall. The only thing related to that would be what we discussed at our last meeting about the security consulting firm but apart from that, no.

Mr. LACKRITZ. Do you recall seeing a newspaper article about Kevin Felds about that time concerned with an arrangement the Democrats had with a convention group down in Miami concerning the sale of booths for that convention? Do you recall reading that or hearing about that?

Mr. BARTH. Sale of convention booths. No, I am sorry. I do not recall.

Mr. ARMSTRONG. I think the last time we talked, you mentioned—as the sensitive case reports came up, there were certain ones that were culled, which, of course, were brought to the attention of the Secretary. There was also an occasional necessity for the President to be alerted.

Mr. BARTH. Right.

Mr. ARMSTRONG. And you estimated there were approximately one a month.

Mr. BARTH. At the maximum.

Mr. ARMSTRONG. Do you recall any other instances, other than regarding this Hughes project or the Meier project or Mr. Rebozo or Mr. Donald and Edward Nixon's names came up? Were you directly alerted by Mr. Ehrlichman?

Mr. BARTH. I cannot say in any situations that I directly alerted Mr. Ehrlichman, because I have no reason to remember those where I would have alerted the Secretary and he would have alerted Ehrlichman or I would have alerted Ehrlichman directly.

But I'll call off some names, for example, that would be helpful. For example, Billy Graham would have gone to the Secretary but

whether he sent it to Ehrlichman—Dr. Ryland, of course, would be one that I would have talked to Mr. Ehrlichman about. Earlier than that, somebody named Mario, the President's barber, who got into tax trouble. The President's ex-barber, excuse me.

I think there was one, John Rollins, R-o-l-l-i-n-s. He was, I think, a large contributor to the President's campaign or something. There was a question of possible criminal liability there, so I think that was one that might have gone to Ehrlichman. W. Clement Stone was another. He had a large gift tax case going.

Mr. ARMSTRONG. Was that for campaign contributions?

Mr. BARTH. Yes. The multiple gift question—the multiple committee. That is all I can think of offhand.

Mr. ARMSTRONG. What about C. R. Holtsmith?

Mr. BARTH. I do not know when that case arose—if it arose before or after Ehrlichman left the White House. It could well be that would have been one. I had forgotten about that. Yes, I could think—and that came after he left because the bank went broke after Ehrlichman left the White House.

Mr. ARMSTRONG. The tax case, it was a long-term tax case, was it not?

Mr. BARTH. Yes. That would have been one that I would guess. But I cannot say for sure. But I guess that would have been one. Yes, excuse me, I am almost positive, but I would have talked to Ehrlichman or referred something to him on that.

Mr. ARMSTRONG. And the ones we have just mentioned, have you recalled him requesting any action on your part for the information?

Mr. BARTH. Maybe for the information but I do not recall any action.

Mr. ARMSTRONG. Other than just keeping him advised through reporting it from what you learned from the sensitive case reports, do you recall taking any action and going out to get any other information or make any contacts?

Mr. BARTH. No. That is pretty much the extent of it. Further—just keep him advised on further developments.

Mr. ARMSTRONG. What about the Teamsters Union and the Teamsters pension funds?

Mr. BARTH. No.

Mr. ARMSTRONG. Mr. Hoffa?

Mr. BARTH. No. I do not recall anything about that.

Mr. ARMSTRONG. Mr. Fitzsimmons?

Mr. BARTH. No.

Mr. ARMSTRONG. What about Mr. Boast—Armand Boast?

Mr. BARTH. I do not remember any tax case on him.

Mr. ARMSTRONG. Mr. Ludwig—Mr. D. K. Ludwig?

Mr. BARTH. I do not recall that name.

Mr. ARMSTRONG. A. D. Davis, J. E. Davis. There are several other initial Davises.

Mr. BARTH. No. I do not recall. There is some case on Winn-Dixie that involved the Corrupt Practices Act. That was a number of years ago. I do not think there was anything unusual about that case that I recall. But I think they had a Corrupt Practices Act violation.

Mr. ARMSTRONG. There was a longstanding active tax case about it—Winn-Dixie—during the period—

Mr. BARTH. Was not that the Corrupt Practices Act? The political contributions case?

Mr. ARMSTRONG. It might have been broader, but do you recall reporting on that to Mr. Ehrlichman?

Mr. BARTH. I do not recall reporting to him on it, no.

Mr. ARMSTRONG. Any other Las Vegas figures besides Hughes that you recall reporting on?

Mr. BARTH. No.

Mr. ARMSTRONG. J. Sarno, S-a-r-n-o, Circus-Circus?

Mr. BARTH. No.

Mr. ARMSTRONG. He was from Circus-Circus, the Casino.

Mr. BARTH. No.

Mr. ARMSTRONG. Did Peter Flanigan ever talk to you about any matters involving IRS?

Mr. BARTH. Not that I recall. I am trying to think if I knew anybody who was even in his office. I think the only person I knew in his office was Johnathan Rose.

Mr. ARMSTRONG. Did you have any inquiries from Mr. Rose?

Mr. BARTH. No. That would go back so many years if I did. I do not recall any specific ones, but he again may have had constituent complaints or something like that—that type of thing. But I am speculating.

Mr. ARMSTRONG. Do you know a Mr. James Juliano?

Mr. BARTH. I do not think so.

Mr. ARMSTRONG. Do you recall Mr. Caulfield requesting any information of the Brookings Institution?

Mr. BARTH. Well, somebody had asked me about Brookings—whether they were C-3 or C-4.

Mr. LACKRITZ. There was no other information besides their tax-exempt state?

Mr. BARTH. All I remember is a question about—a question being raised about whether they are C-3 or C-4.

Mr. LACKRITZ. What about the returns, do you recall anyone requesting the returns specifically for Mr. Caulfield?

Mr. BARTH. He may or somebody may have. I just remember an inquiry about Brookings, but I do not remember the extent of it or the nature of it. I am sorry.

Mr. ARMSTRONG. Before you mentioned the providing of information for the sensitive case report on Billy Graham; did Mr. Caulfield ever request any information from you on Mr. Graham?

Mr. BARTH. I do not think so. I do not think he did. I cannot recall if I even discussed that one with Ehrlichman. I do not remember anything beyond my initiating a memo to Secretary Connally but I do not know.

Mr. ARMSTRONG. What about John Wayne?

Mr. BARTH. I will pass on John Wayne. I recall that somebody, and I think it was somebody in Inspection, mentioned that to me at some time and I do not know exactly when—that there had been a complaint—and I do not know if they said where the complaint came from.

Again, this is one that I have been asked so many times about. I remember somebody in Inspection indicated there was a complaint

about unfair treatment of John Wayne and in order to counter the complaint a document had been prepared that went through a number of entertainers with comparable income brackets and prominence and so on, and indicated that they were treated just as roughly by IRS as was John Wayne. And also as a way of indicating that there was no attempt to get John Wayne by anybody.

Mr. ARMSTRONG. Do you recall if you saw any of those materials?

Mr. BARTH. I had been shown them by Variollo investigators, but I do not think I saw them initially and as I indicated to other groups, I do not recall that I was the one who was asked to get this information. But I certainly would not mind if I had been, because I think it was a fine way to answer the inquiry.

Mr. ARMSTRONG. This is the material that you were shown previously. This is tab 15 from the Caulfield executive session and it is a section of that tab which begins, "Subject: Audit Examinations of Individuals in the Entertainment Industry Who Are Politically Active."*

Mr. SCHROEDER. Does it contain a memo from Caulfield?

Mr. ARMSTRONG. Yes. Dated October 6, 1971. You do not recall seeing that originally, is that correct?

Mr. BARTH. I do not recall seeing that originally.

Mr. ARMSTRONG. Could you provide any information for Mr. Caulfield?

Mr. BARTH. I could not have alone. I could only have through Inspection or Compliance. But I am quite sure that I did not do it. But, as I said before, I would not mind if I had because I think it was a good way to answer the complaint. But I do not believe that I gave him that information.

Mr. LACKRITZ. In the Inspection, you would have requested information from Mr. Acree?

Mr. BARTH. Or by one of his division directors.

Mr. ARMSTRONG. Who would the division directors be?

Mr. BARTH. Greg Kiley, Frank Geibel, Bill Hullahan—one of those. It would have meant going below the level of division director.

Mr. ARMSTRONG. Do you recall if you made any check in addition to just taking a look at the sensitive case report? Did you say you made an additional check of the Billy Graham matter? That you looked into it further?

Mr. BARTH. After I saw the original, yes—I got the original—we got the original of the sensitive case report. I got the sensitive case report which was first sent to me, and this was one that had been changed in Compliance apparently.

I cannot recall exactly why now, but there were questions raised in my mind as to the propriety of this audit and as a result I went back, either to Compliance directly and asked them for the original sensitive case report, or I might have gone to Inspection for it. But in any event, I got the other sensitive case report and there appeared to be a discrepancy in the report. In other words, the editorializing seemed to be significant.

Mr. ARMSTRONG. Do you recall if this discrepancy was how the audit was initiated?

*See Book 21, p. 9811.

Mr. BARTH. That was one major portion of it. The report came to me and indicated it started under routine audit procedures and got the field report for him. There was also language in one or another of the reports about the nature of the agent's approach to the compensation question. It seemed to me a little bit far out, to put it mildly, from a tax lawyer's standpoint.

Then, at that point, I dictated a memo to Secretary Connally which you probably have, pointing out the discrepancy and saying, "You may, Mr. Secretary, be getting a complaint from this taxpayer and I just want you to be aware of it." I cannot recall anything prior to that.

Mr. ARMSTRONG. Did you have any contact with Mr. Caulfield on the subject?

Mr. BARTH. I have been asked that before and I can honestly say I do not remember any contact with him on the subject, but I would not want to preclude it as a possibility. But I do not remember it.

Mr. ARMSTRONG. Would you have given him a copy of the sensitive case report?

Mr. BARTH. I could have, but I doubt it.

Mr. ARMSTRONG. Could you have shown it to him?

Mr. BARTH. I could have shown it to him as he was working for Dean or Ehrlichman or somebody who had it. If he had said I would like to see it, under disclosure laws I would have been obliged to show it to him. But I do not recall so doing.

The main thing that sticks in my mind was action that I took on my own, which was to advise the Secretary that—

Mr. ARMSTRONG. If I can, let me read a section from the memorandum from Mr. Caulfield to Mr. Dean, which was also identified in the Caulfield executive session in tab 15.* I would show it to you but I am sure you have seen it. This is dated September 30th, 1971.

Graham is currently under IRS audit in region. His 1965, 1966, 1969 and 1970 returns are being scrutinized with a view to determining whether gifts made to Graham are in fact taxable income.

A discreet check indicates that an "anonymous" telephone call may have initiated the audit. A "back door" copy of the sensitive case report out of Atlanta has been viewed and contains a reference to this fact. However, the copy at hand in the Washington office indicates normal IRS audit procedures caused the inquiry. Some of the areas to be looked into are:

Construction work performed free of charge, decorating work performed free of charge, clothing received as gifts from Charlotte and Ashville, N.C. stores. Tuition involved in sending Graham's children to foreign schools.

The contacting of a number of Graham's donors by IRS investigators suggest that this inquiry might possibly surface and a judgment should be made accordingly. The material requested regarding John Wayne is not yet in.

Do you recall providing Mr. Caulfield with that information? Does that help?

Mr. BARTH. No, but it sounds like information that came out of the sensitive case report because those are some of the issues that were covered in some sensitive case reports certainly the reference to the "back door" copy of the sensitive case report was the way that I got it—was the back door through either, well, I do not know if back door is the right term but I do not remember if I went to Inspection or if I went to Compliance to get the original field report.

*See Book 21, p. 9808.

Whether I gave this to Caulfield or I gave the same sensitive case copy, or whether he might have gotten one from Ehrlichman or Dean, who might have gotten one from Ehrlichman, I just do not recall. But this certainly is the type of information that I was concerned about.

Mr. SCHROEDER. I wonder if I just might—when we state that we had seen this memo you just referred to, the memo of September 30 of 1971, apparently from Mr. Caulfield to John Dean, that was shown to us by Mr. Jay Horowitz of the Special Prosecutor's Office in an interview conducted on November 9, 1973. So that it is implied in some of the things that we have these memos ourselves.

Mr. ARMSTRONG. OK. Was there ever any question about whether or not that audit should continue?

Mr. BARTH. I do not remember the question being raised with me whether it should be continued. The question was clearly in my mind when I first saw the sensitive case report as to whether the audit should have started.

Mr. ARMSTRONG. Let me make this sure, that you are not aware of any action that was taken on your part, or anybody else, in any way that could have impeded or have been designed to impede the audit?

Mr. BARTH. No. As far as I know the audit still may be going on and if any action had interfered with that audit, I would have certainly raised it. I was the one who raised the flag on those other sensitive case reports because of those discrepancies.

Mr. ARMSTRONG. Do you know Mr. Yaden, Y-a-d-e-n?

Mr. BARTH. I do not think so.

Mr. ARMSTRONG. Who works in the Inspection division or section?

Mr. BARTH. I do not think so.

Mr. ARMSTRONG. Jerome Kirby?

Mr. BARTH. I do not think so.

Mr. ARMSTRONG. Do you know what a squeal is—s-q-u-e-a-l?

Mr. BARTH. No, other than the normal squeal.

Mr. ARMSTRONG. You are not familiar with that term as a colloquial term used to refer to reporting on a taxpayer's indiscretions to IRS and making sure that it comes to their attention.

Mr. BARTH. The term that would normally be used would be an informant.

Mr. ARMSTRONG. But you are not familiar with this term, as being used, if someone inside the IRS wants to get an audit started on somebody. How they would go about taking the information from the inside and bringing it in through the outside so that it could have come from an anonymous informant? Are you aware of any specific instances where that process occurred?

Mr. BARTH. No. It sounds a little peculiar to me that there would be information on the inside. I'm trying to understand your question, and it is that the information that IRS has of a possible tax impropriety—you would transfer it to somebody outside and they would then pass it back as an informant—back to the IRS? No. I am not familiar with that process. It seems a little bit roundabout. It seems a person should do it directly.

Mr. ARMSTRONG. Well, unless the information was bogus—if the information was bogus—and an official was asked the source and he

had to reveal who made the information, then that would be embarrassing.

Mr. BARTH. It would be found out pretty fast on a lot of things. In spite of the fact that agents don't have quota systems, they cannot waste time.

Mr. ARMSTRONG. When you left the Internal Revenue Service, did you take any files with you?

Mr. BARTH. Yes. We covered that before. I have some records, a poor example, some copies of the affidavits for the corporate responsibility case and some memos that I have relating to investigative materials.

Mr. SCHROEDER. The affidavit is the affidavit that was executed by Mr. Barth as a component.

Mr. LACKRITZ. Do you have any papers or files or any materials that you took with you from the Internal Revenue Service that relate to any of the matters that were discussed here today—presently in your possession?

Mr. BARTH. I do not believe I do, other than memos that I would have done as a result of meetings with other investigative bodies that would have touched on these same subjects.

Mr. LACKRITZ. But no information directly coming from the IRS related—

Mr. BARTH. I do not believe I have any.

Mr. LACKRITZ [continuing]. Notes that you made when you were in IRS or any requests that you may have from Caulfield or requests that you might have had from Ehrlichman or John Dean?

Mr. BARTH. I do not think I do. I do not think I have any such things.

Mr. LACKRITZ. One or two questions—who is Mr. M-o-r-i-c-s?

Mr. BARTH. I do not remember his first name. He is called Smitty. He had a peculiar first name. He was staff assistant to the Assistant Commissioner of Compliance. Smitty Morics would be on the staff of the Assistant Commissioner to whom I may go for further information on cases and he was also a person who was responsible for culling out the sensitive case reports every month, I believe, and preparing them for submission to me and to the Commissioner and so on. So he was in that.

Mr. LACKRITZ. Did you make frequent requests through Mr. Morics? Was he one of the individuals?

Mr. BARTH. Yes. He was one of the key staff people there. My reasons for so doing would be that whatever I would request of Mr. Morics, then presumably, if it were important enough, he would advise the Assistant Commissioner.

Mr. LACKRITZ. I would like to show you a document that is headed up, "Operation Sandwedge." I do not think we showed you this the last time you were here, but I want to ask you if you can identify that and if you have ever seen it? Were you ever shown that by Mr. Caulfield?

Mr. BARTH. I am quite sure I was not. I have no recollection of ever seeing this thing.

Mr. LACKRITZ. You cannot identify the document which has previously been entered into the record as Caulfield exhibit 1, tab 31?*

*See Book 21, p. 9899.

Have you reviewed your testimony and the notes that Mr. Schmuls took of your last interview before this committee before you came back today?

Mr. BARTH. Yes.

Mr. LACKRITZ. Do you have anything to add to the testimony that you gave last time concerning the involvement of the security involvement group?

Mr. BARTH. I feel pretty much that what I said then is the full extent of the thing.

Mr. ARMSTRONG. Are there any other areas that you feel might be incomplete or unexplained?

Mr. BARTH. No. I was just glad that I was able to get around to the disclosure problem. As you could gather, last time I was pretty embarrassed about it.


Mr. ARMSTRONG. It must have been frustrating then for awhile.

Mr. LACKRITZ. Well, all right. We appreciate you coming here today and I thank you very much.

[Whereupon, at 7:20 p.m., the hearing in the above-entitled matter adjourned.]

DISTRICT OF COLUMBIA) SS.

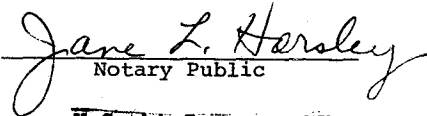
Roger V. Barth, being duly sworn, deposes and says that he has read the attached memorandum of the beginning portion of his testimony on June 5, 1974 before an Executive Session of the Senate Select Committee on Presidential Campaign Activities and, with the changes marked thereon by him, believes that this memorandum constitutes a generally fair and accurate representation of that portion of his testimony.



Roger V. Barth

Subscribed and sworn to before me,

June 24, 1974



Notary Public

~~My Commission Expires April 14, 1978~~

ROGER V. BARTH - EXECUTIVE SESSION

June 5, 1974

At 3:15 p.m., Roger Barth was sworn in by Senator Ervin. Present at the Executive Session were: Roger Barth, Kenneth Schroeder, his counsel, Senator Ervin, Marc Lackritz, Assistant Counsel, Mary DeOreo, investigator, Richard Schultz, Assistant Minority Counsel, and Terry Lenzner, Assistant Chief Counsel.

Barth's present address is 7824 Fulbright Court, Bethesda, Maryland. His home phone number is 229-3796. Since January 1, 1974, Barth has been employed by Webster and Kilcullen, 1747 Pennsylvania Avenue, Washington, D.C.

From 1963 until 1969, Barth was with the law firm of Hodgson, Russ, Andrews, Woods, and Goodyear. After working as an advance man in the 1968 Nixon campaign, Barth joined the IRS as Assistant to the Commissioner of the Internal Revenue Service on May 12, 1969. In October, 1972, Barth became Deputy Chief Counsel of IRS and held this position until December 31, 1973.

As Assistant of the Commissioner, Barth was the Commissioner's principal staff assistant. He was responsible for taking minutes of all meetings which the Commissioner attended. He served as liaison between the IRS and other departments, agencies and Congress. As liaison at the White House, Barth had contact with the following individuals: John Ehrlichman, Robert Brown, John Dean, John Caulfield, Fred Fielding, Darlene Molds, Paul Lavarkas, Harry Fleming, Al Kaupinen, Pete Kinsey, Fred Malek, Tom Houston and Tod Huling. Barth's position as liaison to the White House was similar to the role he served with Congress. Constituents would write to the President concerning the IRS and these letters would be forwarded to Barth and answered by Barth. He was also responsible for "type x" tax checks which run on potential Presidential appointees. "Type x" reports were normally handled by the FBI. If there were a rush, however, requests would come to Barth to expedite the tax check.

at least 1963
Since 1968, IRS field agents in the audit *intelligence and collection* divisions prepared sensitive case reports whenever a tax investigation or audit involved either celebrities, public figures, or individuals close to the President. The sensitive case reports would be culled at the Assistant Commissioner level. About 25 or 30 of the more sensitive reports would be forwarded to the Commissioner's office. Barth would discuss these sensitive case reports with the Commissioner. Certain sensitive Case reports from the Commissioner's office would be sent over to the Secretary of the Treasury. Barth would review the sensitive case reports with the Secretary, and the Secretary would determine if any reports were to be brought to the President's attention. During the Nixon Administration, John Ehrlichman was the contact for Barth in sending over the sensitive reports that were to be brought to the President's attention.

on that of a key White House aide.

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because of tax problems.

On occasion, Ehrlichman would ask Barth for explanations of sensitive case reports and for further information as cases progressed. On one occasion Dr. Kenneth Riland, President Nixon's Osteopath, was audited by the IRS. During this audit Ehrlichman requested Barth to keep him advised as the case progressed. Barth suggested to Ehrlichman that Riland's position as President Nixon's Osteopath be terminated until the case was decided. According to Barth, one advantage to the sensitive case reporting system was that it kept the President informed of possible tax audits on those close to the Administration or actually in the Administration.

Barth mentioned that the Bureau to 4 Presidents had been filed

Ehrlichman never requested Barth to contact anyone or do anything about the actual tax audit on Dr. Riland. Barth also spoke with John Dean and Rose Mary Woods concerning Riland's case. During his discussions with both Woods and Dean, Barth says he stressed the importance of terminating Riland's position until the case was settled. Barth's conversations with Woods, Ehrlichman, and Dean concerning Dr. Riland's tax audit, took place in the early part of 1972. Barth does not have any files which could help him determine the specific dates of these conversations. It is Barth's recollection that he called Rose Mary Woods to discuss Riland's tax audit in an effort to encourage her to make the President aware of Riland's possible tax problem. Riland was subsequently acquitted in 1974 of the alleged criminal tax fraud charges.

Barth did take certain files with him from the IRS. While most files related to Barth's personal affairs, he also has some files which relate to IRS matters. Barth maintained copies of documents and partial files which he felt would be necessary for his own legal representation. Some specific files which Barth still has custody of include: a file on Billy Graham; an IRS affidavit from Inspection Service concerning the Institute of Policy Studies; and documents relating to the Center For Corporate Responsibility.

Barth explained that the sensitive case reports on Billy Graham had a cover memo to then - Secretary Connally, explaining the reports. Because there were two conflicting sensitive case reports which came up concerning Billy Graham, Barth expected a taxpayer's complaint. One sensitive case report indicated that the audit on Rev. Graham resulted from information provided to the IRS by an anonymous informant. The other sensitive case report indicated that the tax audit resulted from regular procedures. Because of the conflicting reports, Barth wrote a memo to Connally explaining the discrepancies and has maintained copies of the two sensitive case reports as well as his memo. Barth says he never had any inquiry from anyone concerning the Billy Graham tax audit. He was never asked to do anything concerning the tax audit and is not even sure what the outcome of the case was.

At some point between March and June, 1972, Barth saw a sensitive case report containing the name of Larry O'Brien. His name arose during a tax investigation of the Hughes Tool Company, when IRS learned that Larry O'Brien and his company had received about \$300,000 over a two year period according to Barth. It was not clear in the report if the money was received as a political contribution or for consultant purposes. In this same report, Donald Nixon, Bebe Rebozo

and because of certain unusual language in one report,

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and possibly Ed Nixon were also mentioned. Because of a reference to possible wrongdoing or impropriety on the part of the President's brother and/or his close friend Rebozo, Secretary Shultz or Barth told Ehrlichman of the sensitive case report. The complete report was sent to Ehrlichman for his review. After receiving the report, Ehrlichman called Barth over to his office. Ehrlichman asked to be kept advised as the case progressed. Ehrlichman also asked Barth about the funds O'Brien received. The sensitive case report was not clear as to the purpose of the money received by O'Brien, or what the possible tax problems would be. Barth did not know the answers to these questions, and recalls telling Ehrlichman that Barth would keep in touch with him. *[After the stenographer arrived Barth gave a detailed report on how he himself looked at O'Brien's returns.]*

Over a period of four years, Barth recalls sending Ehrlichman approximately six sensitive case reports. Barth is not sure which ones were sent to Ehrlichman. Barth was not sure what Ehrlichman did with the sensitive case reports which he received from Barth.